48:25-1 to 48:25-11 et al
LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2019 **CHAPTER:** 362

NJSA: 48:25-1 to 48:25-11 et al (Establishes goals and initiatives for increased use of use of plug-in electric vehicles.)

BILL NO: S2252 (Substituted for A4819)

SPONSOR(S) Bob Smith and others

DATE INTRODUCED: 3/5/2018

COMMITTEE: **ASSEMBLY:** ---

SENATE: Environment & Energy
Budget & Appropriations

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 1/13/2020

SENATE: 1/13/2020

DATE OF APPROVAL: 1/17/2020

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL
(Senate Committee Substitute (Corrected Copy) for
Senate Committee Substitute for Senate, No. 2252) Yes

S2252

SPONSOR'S STATEMENT: (Begins on page 9 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY**: No

SENATE: Yes Environment & Energy
Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

A4819

SPONSOR'S STATEMENT: (Begins on page 37 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY**: Yes Environment & Solid Waste
Appropriations

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: Yes

Committee meeting of Assembly Transportation and Independent Authorities Committee [and] Assembly Environment and Solid Waste Committee : the Committees will meet jointly to receive testimony from invited guests concerning electric vehicles; the Committees will also receive testimony from the public on Assembly Bill No. 4634, which would establish goals, initiatives, and programs to encourage and support the use of plug-in electric vehicles
[December 10, 2018, Trenton, New Jersey]
Call number: 974.90 A939, 2018b
Online at: http://hdl.handle.net/10929/50409

NEWSPAPER ARTICLES: Yes

David Hutter. "Murphy signs electric vehicles incentives measure." NJBIZ, January 17, 2020.

RWH/JA

Title 48.
Chapter 25. (New)
Electric Vehicles
§§1-11 -
C.48:25-1 to
48:25-11

P.L. 2019, CHAPTER 362, ***approved January 17, 2020***
Senate Committee Substitute **(Corrected Copy)** for
Senate Committee Substitute for Senate, No. 2252

AN ACT concerning the use of plug-in electric vehicles, supplementing Title 48 of the Revised Statutes, and amending P.L.2007, c.340 and P.L.1999, c.23.

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

1. (New section) The Legislature finds and declares: that plug-in electric vehicle technology has improved significantly for vehicles of all types; that plug-in electric vehicles with longer ranges are now widely available at a lower cost and present a viable alternative to vehicles fueled by fossil fuels; that more plug-in electric vehicle makes and models will be introduced in the State motor vehicle market over the next several years; that vehicle electrification offers a wide range of benefits, such as improved air quality, reduced greenhouse gas emissions, and savings in motor vehicle operating costs for vehicle owners; that increased use of plug-in electric vehicles can contribute significantly to the attainment of existing State air pollution and energy goals, including the objectives of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et seq.) and the State's Energy Master Plan; and that New Jersey is already committed to implementing the California Low Emission Vehicle Program pursuant to P.L.2003, c.266 (C.26:2C-8.15 et al.), and part of this program is a commitment to increasing the use of low emission vehicles and zero emission vehicles, including plug-in electric vehicles.

The Legislature therefore determines that it is in the public interest to establish goals for the increased use of plug-in electric vehicles in the State, to support the increased use of plug-in electric vehicles by providing incentives for the purchase or lease of such vehicles and for related charging equipment, and to increase consumer awareness of the availability of incentives through a Statewide public education program.

2. (New section) As used in sections 1 through 11 of P.L. , c. (C.) (pending before the Legislature as this bill):

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.

"Board" means the Board of Public Utilities.

"Charger ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of electric vehicle service equipment, including, but not limited to, Level Two EVSE and DC Fast Chargers.

"Charging location" means a publicly accessible parking space or set of parking spaces, with visible signage designating that the parking space or parking spaces are available for use by the public for charging plug-in electric vehicles.

"Community location" means a charging location that is not a corridor location, and that is established in a town center, commercial area, retail center, or near concentrations of multi-family dwellings, to provide vehicle charging services to local plug-in electric vehicle drivers near where they live and work.

"Corridor location" means a charging location located along a travel corridor roadway, or within one mile of that roadway, which is intended to provide access to vehicle charging services for long distance drivers and en route vehicle charging services for local drivers.

"DC Fast Charger" means EVSE that provides at least 50 kilowatts of direct current electrical power for charging a plug-in electric vehicle through a connector based on fast charging equipment standards, and which is approved for installation for that purpose under the National Electric Code through an Underwriters Laboratories Certification or an equivalent certifying organization.

"Department" means the Department of Environmental Protection.

"Electric vehicle service equipment" or "EVSE" means the equipment, including the cables, cords, conductors, connectors, couplers, enclosures, attachment plugs, power outlets, switches and controls, network interfaces, and point of sale equipment and associated apparatus designed and used for the purpose of transferring energy from the electric supply system to a plug-in electric vehicle. "EVSE" may deliver either alternating current or direct current electricity consistent with fast charging equipment standards.

"Fast charging equipment standards" means standards for high power direct current charging, based on the CHAdeMO standard and the Society of Automotive Engineers Combined Charging Standard (CCS), or other non-proprietary standards as may be approved by the board in the future.

"Eligible vehicle" means a new light duty plug-in electric vehicle, with an MSRP of below $55,000, purchased or leased after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) and registered in New Jersey.

"In-home electric vehicle service equipment" means electric vehicle service equipment used in a person's home to charge a plug-in electric vehicle.

"Level One EVSE" means EVSE that provides single phase 120V AC electricity, presented as either a standard wall plug into which the charging cord provided with a plug-in electric vehicle can be connected, or an EVSE with a standard vehicle plug connector that complies with SAE J1772, or an equivalent standard for 120V AC charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through an Underwriters Laboratories Certification or an equivalent certifying organization.

"Level Two EVSE" means EVSE that provides a plug-in electric vehicle with single phase alternating current electrical power at 208-240V AC, through a standardized plug connector that complies with SAE J1772 standards, or an equivalent wireless power transfer interface, or equivalent standards for 208-240V AC charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Light duty vehicle" means any two-axle, four-wheel vehicle, designed primarily for passenger travel or light duty commercial use, and approved for travel on public roads. "Light duty vehicle" includes, but is not limited to, any vehicle commonly referred to as a car, minivan, sport utility vehicle, cross-over, or pick-up truck.

"Low-income, urban, or environmental justice community" means a community: (1) in which at least one half of the households are at or below twice the poverty threshold as determined annually by the United States Census Bureau; (2) that is urban, as determined by the Department of Community Affairs, due to the population and development density in the community; or (3) that has been burdened with environmental justice issues, as determined by the department, including, but not limited to, exposure to high levels of air pollution, close proximity to major industrial facilities or hazardous waste sites, or other environmental hazards.

"MSRP" means the published manufacturer's suggested retail price, as set by a vehicle's manufacturer, at the time of sale or lease.

"Plug-in electric vehicle" means a vehicle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle with an electric plug. "Plug-in electric vehicle" includes a plug-in hybrid vehicle.

"Plug-in hybrid vehicle" means a vehicle that can be charged from a source of electricity external to the vehicle through an electric plug, but is not exclusively powered by electricity.

"Routine charging" means vehicle charging that takes place where a vehicle is parked for a long period of time, such as at the

owner's residence overnight, a hotel, or a workplace during work hours, and which provides the primary and most common form of vehicle charging.

"Seller or lessor of an eligible vehicle" means an entity that is licensed to sell or lease an eligible vehicle to a consumer or fleet owner in the State.

"Travel corridor" means heavily used public roads in the State, as designated by the department, which shall include, but need not be limited to, the Garden State Parkway, the New Jersey Turnpike, the Atlantic City Expressway, federal interstate highways, and the subset of federal or State roads which collectively support the majority of long distance travel through and within the State as well as the majority of daily travel by local drivers.

3. (New section) a. There are established the following State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure in the State to support that use:

(1) at least 330,000 of the total number of registered light duty vehicles in the State shall be plug-in electric vehicles by December 31, 2025;

(2) at least 2 million of the total number of registered light duty vehicles in the State shall be plug-in electric vehicles by December 31, 2035;

(3) at least 85 percent of all new light duty vehicles sold or leased in the State shall be plug-in electric vehicles by December 31, 2040;

(4) (a) By December 31, 2025, at least 400 DC Fast Chargers shall be available for public use at no fewer than 200 charging locations in the State, (b) at least 75 of the 200 or more charging locations shall be at travel corridor locations, equipped with at least two DC Fast Chargers per location, each capable of providing at least 150 kilowatts of charging power, and no more than 25 miles between the charging locations, and (c) at least 100 of the 200 or more charging locations shall be community locations, equipped with at least two DC Fast Chargers per location, each capable of providing 50 kilowatts of charging power or more, and 150 kilowatts or more where feasible. The department may, in its discretion, increase the goals set forth in this paragraph pursuant to any strategic mapping of plug-in electric vehicle charging infrastructure the department conducts;

(5) By December 31, 2025, at least 1,000 Level Two chargers shall be available for public use across the State, and after initial installation, those EVSE may be upgraded to higher power or DC Fast Chargers as appropriate by the owner or operator of the EVSE; and

(6) (a) By December 31, 2025, at least 15 percent of all multi-family residential properties in the State shall be equipped with EVSE for the routine charging of plug-in electric vehicles by residents through a combination of Level One EVSE, Level Two EVSE, or charger ready parking spaces, which collectively shall serve a percentage of resident parking spaces equal to the percentage of light duty vehicles registered in the State that are plug-in electric vehicles at the end of the preceding calendar year, or the percentage of vehicles owned by residents that are plug-in electric vehicles, whichever is higher, and (b) by December 31, 2030, 30 percent of all multi-family properties shall be equipped for electric vehicle charging as described in subparagraph (a) of this paragraph;

(7) (a) By December 31, 2025, 20 percent of all franchised overnight lodging establishments shall be equipped with EVSE for routine electric vehicle charging by guests of the establishment by providing Level Two EVSE, which collectively shall serve a percentage of the guest parking spaces equal to the percentage of light duty vehicles registered in the State that are plug-in electric vehicles at the end of the preceding calendar year, and (b) by December 31, 2030, 50 percent of all franchised overnight lodging establishments shall be equipped with EVSE as described in subparagraph (a) of this paragraph;

(8) (a) By December 31, 2025, at least 25 percent of State-owned non-emergency light duty vehicles shall be plug-in electric vehicles, and (b) by December 31, 2035 and thereafter, 100 percent of State-owned non-emergency light duty vehicles shall be plug-in electric vehicles;

(9) (a) By December 31, 2024, at least 10 percent of the new bus purchases made by the New Jersey Transit Corporation shall be zero emission buses, and (b) the percentage of zero emission bus purchases shall increase to 50 percent by December 31, 2026, and 100 percent by December 31, 2032 and thereafter. Zero emission buses shall not produce any emissions at the tailpipe, and shall be prioritized for low-income, urban, or environmental justice communities; and

(10) By December 31, 2020, the department, in consultation with the board, shall establish other goals for vehicle electrification and infrastructure development that address medium-duty and heavy-duty on-road diesel vehicles and associated charging infrastructure, similar to the State goals for light duty vehicles and consistent with the technology and plug-in electric vehicle markets for those vehicle types.

b. The board and the department may, pursuant to P.L. , c. (C.)(pending before the Legislature as this bill) and any other existing statutory authority, adopt policies and programs to accomplish the goals established pursuant to this section.

c. No later than December 31, 2020, and every five years thereafter, until December 31, 2040, the department, in consultation with the board, shall prepare and submit to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, a report that:

(1) assesses the current state of the plug-in electric vehicle market in New Jersey;

(2) measures the State's progress towards achieving the goals established in subsection a. of this section;

(3) identifies barriers to the achievement of the goals; and

(4) makes recommendations for legislative or regulatory action to address barriers to the achievement of the goals.

4. (New section) a. No later than 180 days after the effective date of P.L. , c. (C.)(pending before the Legislature as this bill), the Board of Public Utilities shall establish and implement a light duty plug-in electric vehicle incentive program for the purpose of encouraging the purchase or lease of new light duty plug-in electric vehicles in the State.

b. The board shall implement the light duty plug-in electric vehicle incentive program until June 30th of the 10th year after establishment of the incentive program.

c. (1) Any incentive offered pursuant to this section shall take the form of a one-time payment to the purchaser or lessee of an eligible vehicle.

(2) For the first year an incentive is offered, the amount of the incentive shall be equal to $25 per mile of EPA-rated electric-only range up to a maximum of $5,000 per eligible vehicle. For each subsequent year an incentive is offered, the board may, after consideration of stakeholder input, change the amount of the incentive and the manner in which an incentive is calculated, provided that no incentive shall exceed $5,000 per eligible vehicle. The board shall publish the amount of any incentives on its Internet website.

(3) The board may limit the number of plug-in electric vehicle incentives that it issues to a single person.

(4) The board may establish other requirements and parameters for the incentive program as it deems necessary and reasonable to further the goals of P.L. , c. (C.)(pending before the Legislature as this bill).

d. The board shall monitor the disbursement of incentives under the incentive program, and annually reassess the design and implementation of the incentive program. Provided the board's action is consistent with the provisions of subsection c. of this section, the board may:

(1) revise the incentive program, any aspect of the incentives, or the related implementation procedures or processes; and

(2) develop additional incentives consistent with the goals of P.L. , c. (C.) (pending before the Legislature as this bill) in order to ensure efficient and equitable electrification of transportation in the State.

e. Notwithstanding any other provision of law to the contrary, a light duty plug-in hybrid vehicle shall not qualify for an incentive under the light duty plug-in electric vehicle incentive program after December 31, 2022.

5. (New section) a. The seller or lessor of an eligible vehicle shall offer the light duty plug-in electric vehicle incentive established pursuant to section 4 of P.L. , c. (C.)(pending before the Legislature as this bill) in conjunction with, and in addition to, any other incentive offered by the seller or lessor of an eligible vehicle.

b. A seller or lessor of an eligible vehicle shall provide a purchaser or lessee the option to have the amount of the light duty plug-in electric vehicle incentive deducted from the final negotiated and agreed upon sale or lease price of the eligible vehicle, in which case the full amount of the incentive shall be passed through to the purchaser or lessee in full and payment thereof shall be effective immediately at the time of the final sale or lease and transfer of the eligible vehicle to the purchaser or lessee. The board shall establish a process for reimbursing a seller or lessor of an eligible vehicle the cost of an incentive provided by the seller or lessor pursuant to this subsection.

c. The board shall require each seller or lessor of an eligible vehicle to provide to the board, upon the final sale or lease and transfer of an eligible vehicle to a purchaser or lessee, the eligible vehicle's make, model, and battery size, and any other information as the board determines relevant.

6. (New section) a. The Board of Public Utilities may establish and implement a program to provide incentives for the purchase and installation of in-home electric vehicle service equipment.

b. Any incentive program established pursuant to this section may be implemented only until June 30th of the 10th year after establishment of the program.

c. (1) Any incentive offered pursuant to this section shall take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment.

(2) The amount of the incentive offered pursuant to this section shall be determined by the board, but shall not exceed $500 per person. Any incentive a person receives pursuant to this section shall be in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle

pursuant to sections 4 and 5 of P.L. , c. (C.)(pending before the Legislature as this bill).

(3) The board may establish other requirements and parameters for the program as it deems necessary and reasonable to further the goals of P.L. , c. (C.)(pending before the Legislature as this bill).

d. The board shall monitor the disbursement of incentives under the incentive program, and annually reassess the design and implementation of the incentive program. Provided the board's action is consistent with the provisions of subsection c. of this section, the board may:

(1) revise the incentive program, any aspect of the incentives, or the related implementation procedures or processes; and

(2) in consultation with the department, develop additional incentives for electric vehicle service equipment consistent with the goals of P.L. , c. (C.) (pending before the Legislature as this bill) in order to ensure efficient and equitable electrification of transportation in the State.

e. The board shall determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section.

7. (New section) a. There is established in the Board of Public Utilities a special, nonlapsing fund to be known as the Plug-in Electric Vehicle Incentive Fund. The fund shall be administered by the board and shall be credited with:

(1) moneys deposited into the fund by the board pursuant to subsection b. of this section;

(2) moneys that are appropriated by the Legislature; and

(3) any return on investment of moneys deposited in the fund.

b. (1) The board shall deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the board pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the board, to make disbursements under the light duty plug-in electric vehicle incentive program established pursuant to section 4 of P.L. , c. (C.)(pending before the Legislature as this bill).

(2) The board may deposit into the fund, each year, such additional amounts from the societal benefits charge, as the board deems necessary, to make disbursement under an incentive program for in-home electric vehicle service equipment established pursuant to section 6 of P.L. , c. (C.)(pending before the Legislature as this bill).

c. Moneys in the fund shall be used by the board solely for the purpose of disbursing the incentives established pursuant to sections 4 and 6 of P.L. , c. (C.)(pending before the Legislature as this bill). The board shall recover any administrative costs incurred in connection with P.L. , c. (C.)(pending before the Legislature as this bill) separately from moneys received from the societal benefits charge.

d. (1) The board shall provide no less than $30 million in disbursements under the light duty plug-in electric vehicle incentive program established pursuant to section 4 of P.L. , c. (C.)(pending before the Legislature as this bill) each year for 10 years.

8. (New section) The Board of Public Utilities shall develop a website, accessible by the public, that provides up-to-date information about the availability of the incentives established pursuant to sections 4 and 6 of P.L. , c. (C.) (pending before the Legislature as this bill).

9. (New section) No later than 180 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Department of Environmental Protection shall, after consideration of stakeholder input, develop and implement a public education program to educate consumers about the availability and benefits of plug-in electric vehicles, the State goals for plug-in electric vehicle deployment established in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), and the availability of incentives established pursuant to sections 4 and 6 of P.L. , c. (C.) (pending before the Legislature as this bill).

10. (New section) Unless otherwise provided in Title 48 of the Revised Statutes, or any other federal or State law, an entity owning, controlling, operating, or managing electric vehicle service equipment shall not be deemed an electric public utility solely because of such ownership, control, operation, or management. The charging of a plug-in electric vehicle shall be deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

11. (New section) The board may, in consultation with the department, adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary for the implementation of P.L. , c. (C.) (pending before the Legislature as this bill).

12. Section 7 of P.L.2007, c.340 (C.26:2C-51) is amended to read as follows:

7. a. The agencies administering programs established pursuant to this section shall maximize coordination in the administration of the programs to avoid overlap between the uses of the fund prescribed in this section.

b. Moneys in the fund, after appropriation annually for payment of administrative costs authorized pursuant to subsection c. of this section, shall be annually appropriated and used for the following purposes:

(1) Sixty percent shall be allocated to the New Jersey Economic Development Authority to provide grants and other forms of financial assistance to commercial, institutional, and industrial entities to support end-use energy efficiency projects and new, efficient electric generation facilities that are state of the art, as determined by the department, including but not limited to energy efficiency and renewable energy applications, to develop combined heat and power production and other high efficiency electric generation facilities, to stimulate or reward investment in the development of innovative carbon emissions abatement technologies with significant carbon emissions reduction or avoidance potential, to develop qualified offshore wind projects pursuant to section 3 of P.L.2010, c.57 (C.48:3-87.1), and to provide financial assistance to manufacturers of equipment associated with qualified offshore wind projects. The authority, in consultation with the board and the department, shall determine: (a) the appropriate level of grants or other forms of financial assistance to be awarded to individual commercial, institutional, and industrial sectors and to individual projects within each of these sectors; (b) the evaluation criteria for selecting projects to be awarded grants or other forms of financial assistance, which criteria shall include the ability of the project to result in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand, provided, however, that neither the development of a new combined heat and power production facility, nor an increase in the electrical and thermal output of an existing combined heat and power production facility, shall be subject to the requirement to demonstrate such a measurable reduction; and (c) the process by which grants or other forms of financial assistance can be applied for and awarded including, if applicable, the payment terms and conditions for authority investments in certain projects with commercial viability;

(2) Twenty percent shall be allocated to the board to support programs that are designed to reduce electricity demand or costs to electricity customers in the low-income and moderate-income residential sector with a focus on urban areas, including efforts to address heat island effect and reduce impacts on ratepayers

attributable to the implementation of P.L.2007, c.340 (C.26:2C-45 et al.) or to support the light duty plug-in electric vehicle incentive program and the incentive program for in-home electric vehicle service equipment established pursuant to sections 4 and 6 of P.L. , c. (C.)(pending before the Legislature as this bill). For the purposes of this paragraph, the board, in consultation with the authority and the department, shall determine the types of programs to be supported and the mechanism by which to quantify benefits to ensure that the supported programs result in a measurable reduction in energy demand or accomplishment of the plug-in electric vehicle goals established pursuant to section 3 of P.L. , c. (C.)(pending before the Legislature as this bill);

(3) Ten percent shall be allocated to the department to support programs designed to promote local government efforts to plan, develop and implement measures to reduce greenhouse gas emissions, including but not limited to technical assistance to local governments, and the awarding of grants and other forms of assistance to local governments to conduct and implement energy efficiency, renewable energy, and distributed energy programs and land use planning where the grant or assistance results in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand. For the purpose of conducting any program pursuant to this paragraph, the department, in consultation with the authority and the board, shall determine: (a) the appropriate level of grants or other forms of financial assistance to be awarded to local governments; (b) the evaluation criteria for selecting projects to be awarded grants or other forms of financial assistance; (c) the process by which grants or other forms of financial assistance can be applied for and awarded; and (d) a mechanism by which to quantify benefits; and

(4) Ten percent shall be allocated to the department to support programs that enhance the stewardship and restoration of the State's forests and tidal marshes that provide important opportunities to sequester or reduce greenhouse gases.

c. (1) The department may use up to four percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the department in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases including any obligations that may arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-55).

(2) The board may use up to two percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the board in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of

greenhouse gases including any obligations that may arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-55).

(3) The New Jersey Economic Development Authority may use up to two percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the authority in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases.

d. The State Comptroller shall conduct or supervise independent audit and fiscal oversight functions of the fund and its uses.

(cf: P.L.2010, c.57, s.5)

13. Section 12 of P.L.1999, c.23 (C.48:3-60) is amended to read as follows:

12. a. Simultaneously with the starting date for the implementation of retail choice as determined by the board pursuant to subsection a. of section 5 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.), the board shall permit each electric public utility and gas public utility to recover some or all of the following costs through a societal benefits charge that shall be collected as a non-bypassable charge imposed on all electric public utility customers and gas public utility customers, as appropriate:

(1) The costs for the social programs for which rate recovery was approved by the board prior to April 30, 1997. For the purpose of establishing initial unbundled rates pursuant to section 4 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.), the societal benefits charge shall be set to recover the same level of social program costs as is being collected in the bundled rates of the electric public utility on the effective date of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.). The board may subsequently order, pursuant to its rules and regulations, an increase or decrease in the societal benefits charge to reflect changes in the costs to the utility of administering existing social programs. Nothing in **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.) shall be construed to abolish or change any social program required by statute or board order or rule or regulation to be provided by an electric public utility. Any such social program shall continue to be provided by the utility until otherwise provided by law, unless the board determines that it is no longer appropriate for the electric public utility to provide the program, or the board chooses to modify the program;

(2) Nuclear plant decommissioning costs;

(3) The costs of demand side management programs that were approved by the board pursuant to its demand side management regulations prior to April 30, 1997. For the purpose of establishing

initial unbundled rates pursuant to section 4 of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.), the societal benefits charge shall be set to recover the same level of demand side management program costs as is being collected in the bundled rates of the electric public utility on the effective date of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.). Within four months of the effective date of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.), and every four years thereafter, the board shall initiate a proceeding and cause to be undertaken a comprehensive resource analysis of energy programs, and within eight months of initiating such proceeding and after notice, provision of the opportunity for public comment, and public hearing, the board, in consultation with the Department of Environmental Protection, shall determine the appropriate level of funding for energy efficiency , plug-in electric vehicles and plug-in electric vehicle charging infrastructure, and Class I renewable energy programs that provide environmental benefits above and beyond those provided by standard offer or similar programs in effect as of the effective date of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.); provided that the funding for such programs be no less than 50 ⟦%⟧ percent of the total Statewide amount being collected in ⟦public⟧ electric and gas public utility rates for demand side management programs on the effective date of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.) for an initial period of four years from the issuance of the first comprehensive resource analysis following the effective date of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.), and provided that 25 ⟦%⟧ percent of this amount shall be used to provide funding for Class I renewable energy projects in the State. In each of the following fifth through eighth years, the Statewide funding for such programs shall be no less than 50 percent of the total Statewide amount being collected in ⟦public⟧ electric and gas public utility rates for demand side management programs on the effective date of ⟦this act⟧ P.L.1999, c.23 (C.48:3-53 et seq.), except that as additional funds are made available as a result of the expiration of past standard offer or similar commitments, the minimum amount of funding for such programs shall increase by an additional amount equal to 50 percent of the additional funds made available, until the minimum amount of funding dedicated to such programs reaches $140,000,000 total. After the eighth year the board shall make a determination as to the appropriate level of funding for these programs. Such programs shall include a program to provide financial incentives for the installation of Class I renewable energy projects in the State, and the board, in consultation with the Department of Environmental Protection, shall determine the level and total amount of such incentives as well as the renewable technologies eligible for such incentives which shall include, at a minimum, photovoltaic, wind, and fuel cells. The

board shall simultaneously determine, as a result of the comprehensive resource analysis, the programs to be funded by the societal benefits charge, the level of cost recovery and performance incentives for old and new programs and whether the recovery of demand side management programs' costs currently approved by the board may be reduced or extended over a longer period of time. The board shall make these determinations taking into consideration existing market barriers and environmental benefits, with the objective of transforming markets, capturing lost opportunities, making energy services more affordable for low income customers and eliminating subsidies for programs that can be delivered in the marketplace without electric public utility and gas public utility customer funding;

(4) Manufactured gas plant remediation costs, which shall be determined initially in a manner consistent with mechanisms in the remediation adjustment clauses for the electric public utility and gas public utility adopted by the board; and

(5) The cost, of consumer education, as determined by the board, which shall be in an amount that, together with the consumer education surcharge imposed on electric power supplier license fees pursuant to subsection h. of section 29 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.) and the consumer education surcharge imposed on gas supplier license fees pursuant to subsection g. of section 30 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.), shall be sufficient to fund the consumer education program established pursuant to section 36 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.).

b. There is established in the Board of Public Utilities a nonlapsing fund to be known as the "Universal Service Fund." The board shall determine: the level of funding and the appropriate administration of the fund; the purposes and programs to be funded with monies from the fund; which social programs shall be provided by an electric public utility as part of the provision of its regulated services which provide a public benefit; whether the funds appropriated to fund the "Lifeline Credit Program" established pursuant to P.L.1979, c.197 (C.48:2-29.15 et seq.), the "Tenants' Lifeline Assistance Program" established pursuant to P.L.1981, c.210 (C.48:2-29.31 et seq.), the funds received pursuant to the Low Income Home Energy Assistance Program established pursuant to 42 U.S.C. s.8621 et seq., and funds collected by electric and natural gas utilities, as authorized by the board, to offset uncollectible electricity and natural gas bills should be deposited in the fund; and whether new charges should be imposed to fund new or expanded social programs.

(cf: P.L.1999, c.23, s.12)

14. This act shall take effect immediately.

Establishes goals and incentives for increased use of plug-in electric vehicles in NJ.

SENATE, No. 2252

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED MARCH 5, 2018

Sponsored by:
Senator BOB SMITH
District 17 (Middlesex and Somerset)
Senator LINDA R. GREENSTEIN
District 14 (Mercer and Middlesex)

SYNOPSIS

Establishes Statewide public plug-in electric vehicle charging system.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning the establishment of a Statewide plug-in electric vehicle charging system, and supplementing Title 27 and Title 48 of the Revised Statutes.

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

1. The Legislature finds and declares that plug-in electric vehicle technology has improved significantly, and vehicles with longer range and lower costs are now available as a viable alternative to a fossil-fueled vehicle for many mainstream customers, with more makes and models to be introduced over the next several years; that legislation has already been proposed to adopt goals for the expanded use of electric vehicles and the establishment of the infrastructure required to support it; that widespread use of plug-in electric vehicles is constrained by consumer concerns over range anxiety and the lack of charging infrastructure; that public acceptance of these vehicles is therefore strongly dependent on the availability of public charging infrastructure that is reliably available, equitably accessible, conveniently useable by the public, and both strategically located and highly visible; and that the needed infrastructure does not yet exist within the State to the extent required.

The Legislature therefore determines that there is an important need for public and private sector investment in public charging infrastructure and development of general conditions that ensure long term market growth, as well the benefit of a State-enabled initiative focused on creating a critical mass of essential public charging infrastructure short term as a high priority, as needed to address existing market barriers related to range anxiety.

2. As used in this act:

"Board" means the Board Of Public Utilities.

"Community location" means a location established to primarily, but not exclusively, serve local plug-in electric vehicle drivers in a municipal center or other area commonly accessible to drivers residing or working in the area or along the route on which the location is established. "Community location" shall not mean a corridor location.

"Competitive solution provider" means a non-utility entity that develops projects, provides electric vehicle service equipment or related equipment, or provides related services for the development, design, installation, and operation of charging locations and the associated electric vehicle service equipment.

"Corridor location" means a DCFC location along, or within one mile of, travel corridor roadways which is intended to serve long range as well as local plug-in electric vehicle drivers.

"Direct Current Fast Charger" or "DCFC" means electric vehicle service equipment that provides at least 50 kilowatts of direct current electrical power for charging a plug-in electric vehicle through a standardized connector, and which is approved for installation for this purpose under the National Electric Code through Underwriters Laboratories Certification or equivalent.

"Electric vehicle service equipment" or "EVSE" means equipment, including but not limited to devices that provide electric power in appropriate form for the on-board battery charging of a plug-in electric vehicle and which may include switching controls, point-of-sale equipment and functions, network connectivity, a user interface, and other controls. "EVSE" may deliver either alternating current or direct current electricity and is designated at different levels according to industry standards and depending on the electrical power rating of the equipment.

"Level 2 EVSE" means an electric vehicle service equipment device that provides a plug-in electric vehicle with single phase alternating current electrical power at 208-240Vac, at up to 80 amperes, through a standardized plug connector in compliance with SAE J1772 standards, or an equivalent wireless power transfer interface.

"Light duty plug-in electric vehicle" or "Light duty PEV" means any two-axle, four wheel plug-in electric vehicle, designed primarily for passenger travel or light duty commercial use, and approved for travel on public roads. "Light duty PEV" includes, but is not limited to, vehicles commonly referred to as cars, minivans, sport utility vehicles, cross-overs, and pick-up trucks.

"Location" means a publicly accessible parking space or collection of spaces, with visible signage designating the parking space as a parking space for charging plug-in electric vehicles only, but available for such use by the public without access restriction.

"Owner or operator" means an entity that owns and operates EVSE equipment for public use by PEV drivers. An "owner/operator" may be a site host or a third party contracted by the site host for the purposes of owning and operating EVSE on the site host's property.

"Plug-in electric vehicle" or "PEV" means any vehicle that includes a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle through an electric plug. PEVs include pure battery electric vehicles and plug-in hybrid vehicles that can be charged from a source of electricity external to the vehicle, but shall not include hybrid vehicles that do not include a plug for charging from an external source. PEVs may be light duty, medium duty, or heavy duty vehicles.

"Range anxiety" means consumer concerns that public electric charging infrastructure may not be widely available, resulting in fewer electric vehicle purchases due to perceived risks that plug-in

electric vehicle drivers may be stranded with a fully discharged battery and no source for recharging it.

"Site host" means an owner of real estate in the State, located within the territory of a utility, proposing to serve as a publicly accessible location.

"Travel corridor" means the subset of public roads designated by the Department of Transportation pursuant to section 6 of this act as providing a travel corridor through and around the State due to their inclusion of, or access to, the Garden State Parkway, the New Jersey Turnpike, the Atlantic City Expressway, and federal interstate highways and numbered federal or State roads with at least 20 miles of roadway located in the State.

3. a. The Board of Public Utilities, the Department of Environmental Protection, the Department of Transportation, the New Jersey Transit Corporation, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, and the Department of Community Affairs shall establish, with representatives of their respective entities, a working group to develop a Statewide plan for installing at least 600 public DCFC and Level 2 public community chargers at 300 locations or more in the State by December 31, 2020.

b. The working group established pursuant to subsection a. of this section shall incorporate in the Statewide plan:

(1) strategies for creating general market conditions necessary for long term development of public electric vehicle charging infrastructure that fully address range anxiety, ensure attainment of the goals established in P.L. , c. (C.) (pending before the Legislature as Senate Bill No. 1975 of 2018-2019), and establish minimum standards for consistent, reliable, and convenient access to highly visible public electric vehicle charging infrastructure as provided in this act;

(2) methods for monitoring and compiling data on Statewide PEV purchases, EVSE use, and other statistics for developing and maintaining an effective charging infrastructure; and

(3) Statewide marketing and consumer awareness campaigns that highlight the availability of public EVSE infrastructure in the State, with a specific focus on addressing consumer concerns about range anxiety and the availability of DCFC EVSE, to be implemented by the entities in the working group.

c. To fulfill its duties pursuant to this act, the working group shall consult with other State agencies, stakeholders, the public electric utilities, and any other entities with an interest in promoting the use of the public electric vehicle charging system.

4. a. No later than December 31, 2020, the New Jersey Turnpike Authority shall establish publicly accessible electric vehicle service equipment parking spaces for the exclusive use by

plug-in electric vehicles at each of the service areas along the New Jersey Turnpike and the Garden State Parkway.

b. The authority shall provide at least two parking spaces at each location for Direct Current Fast Chargers by December 31, 2020, with the electrical infrastructure to support future installation of at least eight spaces for DCFC and at least four spaces with Level 2 EVSE at each location. The authority shall monitor and record the use and wait times for the EVSE at all of the service areas and shall expand the number of spaces served by EVSE as needed to ensure reliable and convenient use by the public.

c. The authority may charge PEV drivers using the EVSE a reasonable amount to recover costs associated with installation and operation of EVSE for public use, either directly, or through third parties that have been authorized to provide PEV charging services at each service area.

d. The authority shall pursue public-private partnerships for the purpose of facilitating the development, funding, and operation of public electric vehicle charging infrastructure required pursuant to this act.

e. For EVSE located on State agency-owned properties, or on properties owned or controlled by local government units, and which are owned or operated by a third party, charges for service may include a fee that is transferable to the State agency or local government unit as a concession pursuant to a written agreement between the owner/operator and the State agency or local government unit.

5. a. No later than December 31, 2020, the South Jersey Transportation Authority shall establish publicly accessible electric vehicle service equipment parking spaces for the exclusive use by plug-in electric vehicles at each of the service areas along the Atlantic City Expressway.

b. The authority shall provide at least two parking spaces at each location for Direct Current Fast Chargers by December 31, 2020, with the electrical infrastructure to support future installation of at least eight spaces for DCFC and at least four spaces with Level 2 EVSE at each location. The authority shall monitor and record the use and wait times for the EVSE at all of the service areas and shall expand the number of spaces served by EVSE as needed to ensure reliable and convenient use by the public.

c. The authority may charge PEV drivers using the EVSE a reasonable amount to recover costs associated with installation and operation of EVSE for public use, either directly, or through third parties that have been authorized to provide PEV charging services at each service area.

d. The authority shall pursue public-private partnerships for the purpose of facilitating the development, funding, and operation of

public electric vehicle charging infrastructure required pursuant to this act.

e. For EVSE located on State agency-owned properties, or on properties owned or controlled by local government units, and which are owned or operated by a third party, charges for service may include a fee that is transferable to the State agency or local government unit as a concession pursuant to a written agreement between the owner/operator and the State agency or local government unit.

6. a. Within 180 days after the effective date of this act, the Department of Transportation shall designate the travel corridor and shall expand the designation to include additional public roads as necessary as determined by the department to achieve the density of public DCFC locations sufficient to reduce range anxiety and provide efficient and effective access to public electric vehicle servicing equipment.

b. The department, in cooperation and consultation with the New Jersey Turnpike Authority and the South Jersey Transportation Authority, shall establish consistent and effective signage along the travel corridor and local roadways in the State and at EVSE locations to inform the public of EVSE locations, provide guidance for reaching the publicly accessible EVSE locations, and indicate the type of EVSE available at the location. The signage shall indicate the availability of DCFC EVSE when available.

c. The department shall coordinate with federal authorities to ensure the use of standardized signage indicating the availability of nearby EVSE along federal interstate highways, similar to current signage in use regarding fuel and other local amenities.

7. The Department of Environmental Protection, in consultation with other agencies and stakeholders, shall establish new programs, procedures, rules and regulations, and guidelines as required to facilitate development of public charging infrastructure consistent with the Statewide plan established pursuant to section 3 of this act.

8. The Department of Community Affairs, in consultation with other agencies and stakeholders, shall establish new programs, procedures, rules and regulations, and guidelines as required to facilitate development of public charging infrastructure by local government units of the State, including issuance of formal guidance that allows local government units to utilize the competitive contracting provisions of the “Local Public Contracts Law,” P.L.1971, c.198 (C.40A:11-1 et seq.), in order to partner with private parties for the design, permitting, financing, installation, operation, and management of all EVSE installations made available to the public.

9. a. As soon as practicable after the effective date of this act, the Board of Public Utilities shall establish a Statewide plug-in electric vehicle charging infrastructure to be known as the Essential Public Charging Network or EPCN.

b. The board shall ensure development of an Essential Public Charging Network that provides a critical mass of public charging infrastructure that seeds the market during its early stages of development, and provides a basic level of high impact public charging infrastructure sufficient to minimize range anxiety.

c. The board shall ensure that the network:

(1) is reliably available for use by all PEV drivers in the State at all times;

(2) is equitably accessible by all PEV drivers in the State;

(3) provides convenient use by the public without unreasonable commercial or technical restrictions;

(4) has locations that are highly visible along public roadways and through on-line resources;

(5) provide a consumer experience that addresses range anxiety;

(6) provides both DCFC EVSE that provides a quick charge transaction of short duration, and Level 2 EVSE that provides charge transactions that are longer duration and support PEVs without DCFC capability;

(7) all DCFC EVSE that are part of the Essential Public Charging Network is a typical PEV with a 60 kilowatt-hour battery can achieve an 80% state of charge in 20 minutes or less;

(8) includes at least 100 DCFC locations Statewide along travel corridors by December 31, 2020, with geographic density of no more than 25 miles between locations, in addition to any locations or EVSE already in place as of January 1, 2018;

(9) includes at least 200 DCFC locations Statewide at community locations by December 31, 2020, in addition to any locations or EVSE already in place as of January 1, 2018;

(10) provides at least 500 publically accessible Level 2 EVSE by December 31, 2020, in addition to any locations or EVSE already in place as of January 1, 2018;

(11) provides at least two independently operable EVSE;

(12) includes electric infrastructure that is ready to support future high power requirements of at least 350 kilowatts of Direct Current per EVSE;

(13) provides for each DCFC EVSE to support at least two plug types, compliant with CHAdeMO and CCS standards as defined at the time of installation, and other additional standards as may be introduced based on technology improvements and approved for inclusion by the board;

(14) allows open access and use by the public, which shall not be restricted by membership, vehicle type, or other eligibility requirements; and

(15) provides at each EVSE location payment methods that allow any driver to make use of the public charging EVSE;

d. The board may define additional requirements for the Essential Public Charging Network, including standards to ensure reliable access, equitable use, consumer consistency and convenience, assurance of long term operation and minimization of asset stranding, payment method and solution interoperability, and other factors as deemed necessary to achieve the goals of this act.

e. This section shall not prohibit or displace any other charging infrastructure development projects or programs that may be pursued in addition to the development of the Essential Public Charging Network.

10. a. Within 180 days after the effective date of this act, each electric public utility in the State shall submit to the board a proposal for the construction and long term operation of the Essential Public Charging Network, including but not limited to development and operation of electrical infrastructure, financing plans, financial incentives, new rate designs and tariffs, partnership programs with local government units, marketing and other consumer awareness building initiatives, or other programs that support the goals of this act.

b. The electric public utility may propose tariffs or other methods that ensure electricity costs that allow owners or operators of EVSE for public use to charge PEV drivers competitive rates, and such tariffs, programs, or methods are recoverable through rates. Such tariffs or other methods may be approved for EVSE that are part of the Essential Public Charging Network, or for any other EVSE that is available for public use and meet any requirements deemed necessary by the board.

c. Any proposal submitted within the year preceding the effective date of this act that is consistent with the goals and requirements established by this act shall be considered fulfilling the requirements of this subsection.

d. No later than 180 days after receipt of a proposal submitted pursuant to subsection a. of this section, the Board of Public Utilities shall review and issue a determination approving, rejecting, or modifying and approving the proposal. The board shall apply the following criteria for this review and determination:

(1) The proposal is consistent with and supports attaining the goals of this act;

(2) The expenditures estimated and set forth in the proposal are reasonable for attaining the goals of this act;

(3) The proposal (a) offers competitive solution providers for project development where feasible, (b) sourcing of DCFC and Level 2 EVSE, and other services to implement and operate the locations for public use, (c) leveraging of private investment, and

(d) promotes development of a competitive market for continued growth in public charging infrastructure;

(4) The proposal does not limit the ability of publicly regulated electric public utilities from owning and operating locations and EVSE that are part of the Essential Public Charging Network if approved by the board, and any such installations are sourced from competitive solution providers; and

(5) The proposal ensures that all DCFC and Level 2 EVSE intended for public use are developed in a manner and at locations that provide public benefit.

e. The board order approving, rejecting, or modifying a utility proposal shall provide for and approve recovery through utility rates for all reasonable costs, which may be treated as regulatory assets. Proposed programs shall use external funding sources where feasible, in addition to ratepayer funds as recovered by utilities through rates.

11. Unless otherwise specifically provided pursuant to Title 48 of the Revised Statutes or any other federal or State law, a person owning, controlling, operating, or managing an electric vehicle charging station shall not be deemed an electric public utility solely because of that ownership, control, operation, or management. The charging of an electric vehicle shall be deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

12. This act shall take effect immediately.

STATEMENT

This bill would establish a Statewide public plug-in electric vehicle charging system. The bill directs a working group of the Board of Public Utilities, the Department of Environmental Protection, the Department of Transportation, the New Jersey Transit Corporation, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, and the Department of Community Affairs to develop a Statewide plan for installing at least 600 public DC fast chargers and Level 2 public community chargers at 300 locations or more in the State by December 31, 2020.

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 2252

STATE OF NEW JERSEY

DATED: OCTOBER 15, 2018

The Senate Environment and Energy Committee favorably reports a committee substitute for Senate Bill No. 2252.

This committee substitute would establish goals, initiatives, and programs to encourage and support the use of plug-in electric vehicles in the State.

Specifically, section 3 of the substitute would establish State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure to support that use. Under the substitute, no later than December 31, 2020, and every five years thereafter, the Department of Environmental Protection (DEP) would be required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress toward achieving the goals outlined in the substitute; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address those barriers.

Section 4 of the substitute would establish the Electric Vehicle Working Group, to be composed 19 members, including the Commissioner of Environmental Protection, the President of the Board of Public Utilities, the Commissioner of Transportation, the Executive Director of the New Jersey Transit Corporation, the Executive Director of New Jersey Turnpike Authority, the Executive Director of South Jersey Transportation Authority, the Commissioner of Community Affairs, the Executive Director of the Port Authority of New York and New Jersey, the Chief Executive Officer of the New Jersey Economic Development Authority, and the Director of the Division of Rate Counsel in, but not of, the Department of Treasury, or their respective designees, and various other stakeholders and subject matter experts.

The working group would be required to develop, and annually update, a Statewide Vehicle Charging Infrastructure Plan, and monitor implementation of that plan and its effectiveness in advancing the goals established in the substitute. Subsection h. of section 4 of the substitute outlines the information to be incorporated into the State Vehicle Charging Infrastructure Plan. The working group would coordinate the development of the plan with the development and

revision of the Statewide Energy Master Plan. The working group would also develop a public education program, to be implemented by DEP, to inform the public about plug-in electric vehicles and the availability of vehicle charging infrastructure. The working group would issue a final report on the Statewide Vehicle Charging Infrastructure Plan during the calendar year 2035 and dissolve 30 days after the report is issued.

Under the substitute, the Board of Public Utilities ("the board"), in cooperation with electric public utilities and various government agencies, would be required to develop the essential public charging network. The network would: (1) provide sufficient public charging infrastructure to support a significant expansion in the use of plug-in electric vehicles in the State and consumer confidence in using these vehicles; (2) integrate with the electric distribution system and the electric transmission system; and (3) provide a level of public charging infrastructure sufficient to minimize consumer range anxiety. Each electric public utility in the State would be required to implement the essential public charging network in accordance with the requirements of subsections b. and c. of section 9 of the substitute.

Within one year after the effective date of the substitute, each electric public utility in the State would be required to submit to the board a proposed plan for the construction and long-term operation of the essential public charging network within its service territory in accordance with the requirements of section 10 of the substitute. No later than 180 days after receipt of a proposed plan, the board would be required to review and issue a determination approving, rejecting, or approving with modifications a utility's plan. The board order approving, or approving with modifications, a utility's proposed plan would provide for and approve full and timely recovery, through a separate utility rate clause, all reasonable costs, which may be included in the utility's rate base as either a capital or regulatory asset. Utilities would be permitted to use funding sources other than recovering costs through customer rates whenever feasible. The substitute authorizes utilities to propose programs, incentives, tariffs, and initiatives to support the development of vehicle charging infrastructure.

Under the substitute, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, and the Department of Transportation would be required to establish publicly-accessible electric vehicle charging parking spaces for the exclusive use of plug-in electric vehicles at their respective service areas. These agencies would be directed to charge a fee to plug-in electric vehicle drivers using the charging equipment in a reasonable amount to recover costs associated with installation and operation of the charging equipment for public use, either directly or through contracted third-parties.

No later than 90 days after the effective date of the substitute, the board, in cooperation with the State Treasurer and the DEP, would be required to establish and implement the "Light Duty Plug-in Electric

Vehicle Rebate Program" for the purpose of encouraging the purchase of light duty plug-in electric vehicles. The board would implement the rebate program until June 30 of the 10th year after the rebate program begins, or after $300 million in rebate disbursements have been paid from the fund, whichever occurs first. The board would establish the rebate as a one-time payment to the purchaser of a new light duty plug-in electric vehicle in an amount set and calculated by the department as equal to at least $25 per mile of the eligible vehicle's electric power range as certified by the U.S. Environmental Protection Agency and determined by the DEP, up to a maximum of $5,000 per eligible vehicle. The board may adjust the rebate amount as necessary to achieve the goals outlined in the substitute, but not more than once per aggregate disbursement of $100 million in rebates. The board, in consultation with the working group, would develop and implement a Statewide public education program to publicize the availability of the rebates under the substitute.

An "eligible" vehicle is defined in the substitute as a new light duty plug-in electric vehicle with a manufacturer's suggested retail price of $55,000 or less, purchased after the effective date of the substitute. "Plug-in electric vehicle" means a vehicle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle with an electric plug, and includes a plug-in hybrid vehicle. However, notwithstanding other provisions of the substitute, a light duty plug-in hybrid vehicle would not qualify for a rebate after December 31, 2022.

Under the substitute, a vehicle dealership may, in its discretion, provide a purchaser the option to have the amount of the electric vehicle rebate deducted from the final price of an eligible vehicle. The dealer would then apply to the State Treasurer to receive the rebate. A purchaser who does not receive the rebate at the time of purchase may apply directly to the State Treasurer for the rebate. The board would be required to keep track of, and provide to the public, up-to-date information about rebate availability. Sections 17 through 19 establish the process by which an eligible recipient must apply to the Department of Treasury to receive the rebate, and the process by which the Department of Treasury must approve or deny an application. Section 16 of the substitute would establish the "Plug-in Electric Vehicle Rebate Fund" to be used by the Department of Treasury solely to make rebate disbursements to eligible recipients. The board would be authorized to deposit into the fund moneys received from the societal benefits charge established pursuant to section 11 of P.L.1999, c.23 (C.48:3-60), moneys made available to the board pursuant to the implementation of the Regional Greenhouse Gas Initiative (RGGI) and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources as determined by the board.

The substitute amends existing law to address implementation issues under the State's adoption of the California Low Emission Vehicle Program and its zero emissions vehicle requirements. The substitute would require the Commissioner of Environmental Protection to petition the California Air Resources Board and the Governor of California to revise the State's rules and regulations to provide that the vehicles "sold or leased" in the State meet program requirements rather than vehicles "produced and delivered for sale or lease." Upon revision by the California Air Resources Board, the term "produced and delivered for sale" in existing State law would be construed to mean "sold or leased," until State law is revised.

The substitute provides that the first $20 million of funds received by the State each year from participation in RGGI would be deposited into the "Plug-in Electric Vehicle Rebate Fund" established in the substitute. Finally, the substitute would also permit the costs of electric vehicle rebates disbursed under the substitute to be recovered through the societal benefits charge, and it would authorize the board, pursuant to its rules and regulations, to order an increase in the societal benefits charge to reflect these costs.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE, No. 2252

STATE OF NEW JERSEY

DATED: JANUARY 9, 2020

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Senate Bill No. 2252 SCS.

This bill would establish goals and incentives for the increased use of plug-in electric vehicles in New Jersey.

Specifically, section 3 of the bill would establish State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure to support that use. The Board of Public Utilities (BPU) and the Department of Environmental Protection (DEP) would be authorized to adopt policies and programs to accomplish the goals established in the bill. No later than December 31, 2020, and every five years thereafter, the DEP would be required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the current state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress towards achieving the goals established the bill; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address barriers to the achievement of the goals.

The bill would require the BPU to establish and implement a light duty plug-in electric vehicle incentive program for the purpose of encouraging the purchase or lease of new light duty plug-in electric vehicles in the State. The BPU would implement this incentive program until June 30th of the 10th year after establishment of the program, and provide at least $30 million in disbursements under the program each year. Any incentive offered under this program would take the form of a one-time payment to the purchaser or lessee of an eligible vehicle. An "eligible vehicle" is any new light duty plug-in electric vehicle with an MSRP of below $55,000 purchased or leased after the effective date of the bill and registered in New Jersey. For the first year an incentive is offered, the amount of the incentive would be equal to $25 per mile of EPA-rated electric-only range, up to a maximum of $5,000 per eligible vehicle. For each subsequent year, the BPU would be authorized to change the amount of the incentive

and the manner in which an incentive is calculated, provided that no incentive would exceed $5,000 per eligible vehicle. The BPU would be authorized to develop additional incentives consistent with the goals of the bill. A light duty plug-in hybrid vehicle would qualify for an incentive under the program until December 31, 2022.

Under the bill, the seller or lessor of an eligible vehicle would be required to offer the light duty plug-in electric vehicle incentive in conjunction with, and in addition to, any other incentives offered by the seller or lessor of an eligible vehicle. The seller or lessor of an eligible vehicle would be required to provide the purchaser or lessee the option to have the amount of the light duty plug-in electric vehicle incentive deducted from the final negotiated and agreed upon sale or lease price of the eligible vehicle. The full amount of the incentive would then be passed through to the purchaser or lessee in full and payment thereof would be effective immediately at the time of the final sale or lease and transfer of the eligible vehicle to the purchaser or lessee. The BPU would be required to establish a process for reimbursing a seller or lessor of an eligible vehicle the cost of an incentive provided by the seller or lessor under the bill.

In addition to the light duty plug-in electric vehicle incentive program established in the bill, the BPU would be authorized to establish and implement an incentive program for the purchase and installation of in-home electric vehicle service equipment. This incentive program may only be implemented until June 30th of the 10th year after establishment of the program. The incentives would take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment. The amount of the incentive would be determined by the BPU, but would not exceed $500 per person. Any incentive a person receives for in-home electric vehicle service equipment under the program would be in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle. The BPU would determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section.

The bill would establish a special, nonlapsing fund in the BPU to be known as the Plug-in Electric Vehicle Incentive Fund. The bill would require the BPU to deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the BPU pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the BPU, to make disbursements under the light duty plug-in electric vehicle incentive program. The BPU would be permitted to deposit into the fund, each year, such additional amounts from the societal benefits charge, as the BPU deems necessary, to make disbursements under an incentive program for in-home electric vehicle service

equipment. Moneys in the fund would be used by the BPU solely for the purpose of disbursing incentives under the bill. The BPU would be permitted to recover any administrative costs incurred in connection with the bill separately from moneys received from the societal benefits charge.

The bill would require the BPU to develop a website, accessible by the public, that provides up-to-date information about the availability of incentives established under the bill. The bill would also require the DEP to develop and implement a public education program to educate consumers about the availability and benefits of plug-in electric vehicles, the State goals for plug-in electric vehicle deployment, and the availability of incentives established under the bill.

The bill would provide that, unless otherwise provided for in law, an entity owning, controlling, operating, or managing electric vehicle service equipment would not be deemed an electric public utility solely because of such ownership, control, operation, or management. The charging of a plug-in electric vehicle would be deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider under the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-49 et al.).

Finally, the bill would amend section 7 of P.L.2007, c.340 (C.26:2C-51) (concerning the use of moneys in the "Global Warming Solutions Fund") and section 12 of P.L.1999, c.23 (C.48:3-60) (concerning the use of moneys received from the societal benefits charge) to reflect that moneys from those sources may be used for the purposes of promoting and incentivizing plug-in electric vehicles and related charging equipment.

FISCAL IMPACT:

The bill could result in an increase in State revenues and State expenditures, each of an indeterminate magnitude, mostly concentrated in the 10-year period after the bill's enactment. The bill's fiscal impact will mostly be determined by the decisions of the Board of Public Utilities (BPU) as to the allocation of societal benefits charge revenue to the purposes of the bill, and whether those decisions will increase or reallocate current levels of revenue and expenditures, respectively, from that source. For example, to meet the bill's mandate that at least $30 million in societal benefits charge revenue be deposited annually in the Plug-in Electric Vehicle Incentive Fund, the BPU could either increase or reallocate revenue from that source, and could reduce spending on current programs in so doing. Other impacts of the bill will be to increase by an indeterminate amount BPU administrative costs to implement the bill's requirements, and to increase by an indeterminate amount the Department of Environmental Protection's expenditures in order to undertake a public consumer education program about the plug-in electric vehicles and the State's efforts to incentive their deployment.

LEGISLATIVE FISCAL ESTIMATE

SENATE COMMITTEE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE No. 2252

STATE OF NEW JERSEY
218th LEGISLATURE

DATED: JANUARY 16, 2020

SUMMARY

Synopsis:	Establishes goals and incentives for increased use of plug-in electric vehicles in NJ.
Type of Impact:	Increased expenditures by State and local government entities; State revenue increases.
Agencies Affected:	All State and local government entities; Board of Public Utilities; Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	10 Year Impact
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that the bill could increase State expenditures and revenues by indeterminate amounts. This conclusion is rooted in a lack of information concerning future decisions of the Board of Public Utilities (BPU) concerning the electric vehicle incentive program and the in-home electric vehicle charging equipment incentive program, and whether deposits into the Plug-in Electric Vehicle Incentive Fund (fund) from the Societal Benefits Charge (SBC) to support those programs will result in higher SBC revenues and expenditures as opposed to reallocation of current revenues from existing programs.

- The bill will also result in additional administrative costs for the BPU to establish and run these two incentive programs, and for the Department of Environmental Protection's (DEP) public education effort to promote these programs and the electric vehicle infrastructure goals. The BPU is permitted to recover its administrative costs separately from the SBC, so revenues from that source may increase in amounts up to those additional costs.

- If the BPU increases the SBC to fund these incentives, the bill will result in a possible indeterminate increase in State and local expenditures from higher retail energy prices. The

amount of the price increase attributable to the bill is contingent, in part, on the decision made by the BPU, which the OLS cannot anticipate. An increase in energy prices will yield indeterminate additional State revenues, given that the increase paid by all ratepayers will be subject to the State sales and use tax.

BILL DESCRIPTION

This bill establishes goals and incentives for the increased use of plug-in electric vehicles in New Jersey and the development of plug-in electric vehicle charging infrastructure to support that use. The BPU and the DEP are authorized to adopt policies and programs to accomplish the goals established in the bill. No later than December 31, 2020, and every five years thereafter, the DEP is required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the current state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress towards achieving the goals established the bill; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address barriers to the achievement of the goals.

The bill requires the BPU to establish and implement a light duty plug-in electric vehicle incentive program. The BPU is to implement this incentive program until June 30th of the 10th year after establishment of the incentive program, and provide no less than $30 million for the program each year. The incentive offered under this program is a one-time maximum $5,000 payment to the purchaser or lessee of an eligible vehicle. For the first year an incentive is offered, the amount of the incentive is equal to $25 per mile of EPA-rated electric-only range up to the $5,000 maximum. For each subsequent year, the BPU may change the amount of the incentive and the manner in which an incentive is calculated. The BPU is authorized to develop additional incentives consistent with the goals and provisions of the bill. A light duty plug-in hybrid vehicle does not qualify for an incentive under the program after December 31, 2022.

In addition to the light duty plug-in electric vehicle incentive program, the BPU is authorized to establish and implement an incentive program for the purchase and installation of in-home electric vehicle charging equipment. This incentive program may only be implemented until June 30th of the 10th year after establishment of the program. The incentives are to take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment. The amount of the incentive will be determined by the BPU, but shall not exceed $500 per person. Any incentive a person receives for in-home electric vehicle charging equipment under the program is in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle. The BPU will determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section. The bill also authorizes the BPU to develop additional incentives for electric vehicle service equipment other than in-home charging equipment.

The bill establishes a special, nonlapsing fund in the BPU to be known as the Plug-in Electric Vehicle Incentive Fund. The bill requires the BPU to deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the BPU pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the BPU, to make disbursements under the light duty plug-in electric vehicle incentive program. The BPU is permitted to deposit into the fund such additional amounts from the societal benefits charge as the BPU deems necessary to make disbursement under the incentive program for in-home electric vehicle charging equipment. Moneys in the fund are to be used by the BPU solely for the purpose of disbursing incentives under the bill. The BPU is also authorized to use SBC revenues to fund other plug-in electrical vehicle

charging infrastructure. The BPU is also permitted to recover any administrative costs incurred in connection with the bill separately from moneys received from the societal benefits charge.

The bill requires the BPU to develop a website, accessible by the public, which provides up-to-date information about the availability of incentives established under the bill. The bill also requires the DEP to develop and implement a public education program to educate consumers about the availability and benefits of plug-in electric vehicles, the State goals for plug-in electric vehicle deployment, and the availability of incentives established under the bill.

The bill provides that, unless otherwise provided for in law, an entity owning, controlling, operating, or managing electric vehicle service equipment not be deemed an electric public utility solely because of such ownership, control, operation, or management. The charging of a plug-in electric vehicle is deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider under the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-49 et al.).

Finally, the bill amends section 7 of P.L.2007, c.340 (C.26:2C-51) (concerning the use of moneys in the "Global Warming Solutions Fund") and section 12 of P.L.1999, c.23 (C.48:3-60) (concerning the use of moneys received from the societal benefits charge) to reflect that moneys from those sources may be used for the purposes of promoting and incentivizing plug-in electric vehicles and related charging equipment.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill could increase in State expenditures and revenues by indeterminate amounts. This conclusion is rooted in a lack of information concerning future BPU decisions about the size of the electric vehicle incentive program, the in-home electric vehicle charging equipment incentive program, and whether deposits into the Plug-in Electric Vehicle Incentive Fund (fund) from the SBC to support those programs will result in higher SBC revenues and expenditures, as opposed to reallocation of current revenues from existing programs.

The electric vehicle incentive program is to run for up to 10 years and distribute no less than $30 million per year towards the purchase of electric vehicles, but not more than $5,000 per new eligible electric vehicle. If realized, this will result in a minimum expenditure of $300 million. The bill requires the BPU to deposit at least $30 million per year for 10 years into the fund from the SBC to pay for the program.

The in-home electric vehicle charging equipment incentive program is to provide grants of up to $500 each for individuals buying in-home electric vehicle charging equipment. This program is also to run for 10 years. The bill gives discretion to the BPU to determine the size of the grant, up to $500, and the total annual amount of disbursements from the fund to support the program.

These two programs will have a minimum cost of $30 million per year, but possibly more depending upon how the BPU decides to administer the programs. The funding sources identified under the bill are deposits from the SBC or money made available to the BPU from participation in the Regional Greenhouse Gas Initiative (RGGI). The bill does not increase RGGI revenue nor does it require the BPU to increase total SBC revenue or spending to implement the bill's programs. To the extent the BPU increases total SBC revenue, because this is a ratepayer supported source of funding, higher retail prices for energy would affect State and local

government entities. The amount of the price increase attributable to the bill is contingent, in part, on the decision made by the BPU, which the OLS cannot anticipate. An increase in the price of energy will yield indeterminate additional State revenues, given that the increase paid by all ratepayers will be subject to the State sales and use tax. The OLS cannot determine the percentage of the total cost of any rate increase that will be borne by State and local governments because of a lack of data on their energy consumption.

The State will also realize additional administrative costs for the BPU to establish and run these two incentive programs, as well as the required website. The BPU is permitted to recover its administrative costs separately from the SBC, so it can be expected that the additional administrative costs will be recovered through utility rates. The cost to state and local government units would be negligible once spread over the cost of the State's entire rate base.

The DEP public education effort to promote the electric vehicle infrastructure goals under the bill will also represent a State cost. The magnitude of these costs are indeterminate due to a lack of foreknowledge about how the DEP will structure the education effort and the various strategies to be employed. The design of the education effort itself will be the primary determinate of its eventual cost.

Section:	*Authorities, Utilities, Transportation and Communications*
Analyst:	*Patrick Brennan* *Principal Fiscal Analyst*
Approved:	*Frank W. Haines III* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY, No. 4819

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED DECEMBER 17, 2018

Sponsored by:
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)
Assemblywoman NANCY J. PINKIN
District 18 (Middlesex)
Assemblyman JAMES J. KENNEDY
District 22 (Middlesex, Somerset and Union)

Co-Sponsored by:
Assemblyman Karabinchak, Assemblywomen Lopez, Jones, Carter, Assemblymen Holley, DeAngelo, Land, Assemblywoman Murphy, Assemblymen McKeon, Calabrese, Assemblywoman Jasey, Assemblyman Mejia, Assemblywomen McKnight, Tucker, Speight, Jimenez, Timberlake, Reynolds-Jackson, Assemblyman Schaer, Assemblywoman Vainieri Huttle, Assemblymen Zwicker, Armato, Mazzeo and Assemblywoman Chaparro

SYNOPSIS

Establishes goals, initiatives, and programs to encourage and support use of plug-in electric vehicles.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 12/13/2019)

AN ACT concerning the use of electric vehicles, and amending and supplementing various parts of the statutory law.

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

1. (New section) The Legislature finds and declares that plug-in electric vehicle technology has improved significantly, for light duty vehicles in particular; that plug-in electric vehicles with longer ranges are now widely available at a lower cost and present a viable alternative to vehicles fueled by fossil fuels; that more plug-in electric vehicle makes and models will be introduced in the State motor vehicle market over the next several years; that vehicle electrification offers a wide range of benefits, such as improved air quality, reduced greenhouse gas emissions, and savings in motor vehicle operating costs for vehicle owners; that increased use of plug-in electric vehicles can contribute significantly to the attainment of existing State air pollution and energy goals, including the objectives of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et seq.) and the State's Energy Master Plan; and that New Jersey is already committed to implementing the California Low Emission Vehicle Program pursuant to P.L.2003, c.266 (C.26:2C-8.15 et al.), and part of this program is a commitment to increasing the use of low emission vehicles and zero emission vehicles, including plug-in electric vehicles.

The Legislature further finds and declares that the State has not established goals for the use of plug-in electric vehicles or programs to encourage the use of these vehicles; that an important part of increasing the use of plug-in electric vehicles is the development of a Statewide plug-in electric vehicle charging infrastructure that supports the use of plug-in electric vehicles, as well as policies, regulations, and programs to support that development; that State agencies require clear direction to create and implement the necessary policies, regulations, programs, initiatives, and incentives; that the two major market barriers that limit the purchase of light duty plug-in electric vehicles by consumers are price and range anxiety, which is a concern on the part of the public that plug-in electric vehicles cannot be reliably operated over long distances because of a lack of convenient, publicly accessible charging infrastructure.

The Legislature therefore determines that it is in the public interest to establish goals for the increased use of plug-in electric vehicles, pursue attainment of those goals through the development of a Statewide plug-in electric vehicle charging infrastructure, and develop this infrastructure by establishing a Statewide electric

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 <u>thus</u> is new matter.

vehicle charging infrastructure plan; that this plan shall be incorporated into the State Energy Master Plan and any subsequent updates to the State Energy Master Plan; that the State shall include State agencies, market stakeholders, and other subject matter experts in the development and establishment of the plan; and that the State shall further bolster the increased use of plug-in electric vehicles by providing rebates for the purchase of these vehicles, and maximize consumer awareness of the availability of rebates and public plug-in electric vehicle charging infrastructure through Statewide public education programs.

2. (New section) As used in sections 1 through 7 of P.L. , c. (C.) (pending before the Legislature as this bill):

"Advanced mobility solution" means an alternative method for providing mobility to an entire community, through novel business models that change vehicle ownership and use, including, but not limited to, ride hailing services, car sharing services, fractional ownership and vehicle subscription services, autonomous vehicles, and transportation network companies.

"Board" means the Board of Public Utilities.

"Charger ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of electric vehicle service equipment, including, but not limited to, Level Two EVSE and DC Fast Charger, and a clearly defined process by which prospective users of vehicle chargers may request and benefit from installation of an appropriate EVSE at the pre-wired parking space;

"Charging location" means a publicly accessible parking space or set of parking spaces, with visible signage designating that the parking space or spaces are available for use by the public for charging plug-in electric vehicles.

"Community location" means a charging location that is not a corridor location, and that is established in a town center, commercial area, retail center, or other site, or near concentrations of multi-family dwellings, to provide vehicle charging services to local plug-in electric vehicle drivers near where they live or work.

"Corridor location" means a charging location located along a travel corridor roadway, or within two miles of that roadway, which is intended to provide access to vehicle charging services for long distance drivers and en-route vehicle charging services for local drivers.

"DC Fast Charger" means electric vehicle service equipment that provides at least 50 kilowatts of direct current electrical power for charging a plug-in electric vehicle through a standardized connector, and which is approved for installation for that purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Department" means the Department of Environmental Protection.

"Electric vehicle service equipment" or "EVSE" means the equipment, including the cables, cords, conductors, connectors, couplers, enclosures, attachment plugs, power outlets, switches and controls, network interfaces, and point of sale equipment and associated apparatus designed and used for the purpose of transferring energy from the electric supply system to a plug-in electric vehicle. "EVSE" may deliver either alternating current or direct current electricity as determined by industry equipment standards.

"Essential public charging network" or "network" means the public charging infrastructure installed pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill), as part of the Statewide initiative to encourage the plug-in electric vehicle market in the State, and which provides a basic level of Statewide public charging infrastructure sufficient to minimize range anxiety and meet other public charging needs.

"Industry equipment standards" means the electric vehicle charging equipment industry standards, including the CHAdeMO standard and the Society of Automotive Engineers Combined Charging Standard (CCS).

"Level One EVSE" means a supply of single phase 120 Vac electricity, presented as either a standard wall plug into which the charging cord provided with a plug-in electric vehicle can be connected, or an EVSE with a standard vehicle plug connector that complies with SAE J1772, or an equivalent standard for 120 Vac charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Level Two EVSE" means EVSE that provides a plug-in electric vehicle with single phase alternating current electrical power at 208-240 Vac, through a standardized plug connector that complies with SAE J1772 standards, or an equivalent wireless power transfer interface, or equivalent standards for 208-240 Vac charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Light duty vehicle" means any two-axle, four-wheel vehicle, designed primarily for passenger travel or light duty commercial use, and approved for travel on public roads. "Light duty vehicle" includes, but is not limited to, any vehicle commonly referred to as a car, minivan, sport utility vehicle, cross-over, or pick-up truck.

"Local government unit" means a county, municipality, or any board, commission, committee, authority or agency thereof that is subject to the provisions of the "Local Public Contracts Law,"

P.L.1971, c.198 (C.40A:11-1 et seq.), including a housing authority or redevelopment agency created or continued under the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.).

"Low-income, urban, or environmental justice community" means a community where at least half of the households have a household income that does not exceed 2.50 times the official federal poverty level based on family size, established and adjusted under the federal "Community Services Block Grant Act," 42 U.S.C. s.9902(2); is urban, as determined by the Department of Community Affairs, due to the population and development density in the community; or has been burdened with environmental justice issues, as determined by the Department of Environmental Protection, including, but not limited to, exposure to high levels of air pollution, close proximity to major industrial facilities or hazardous waste sites, or other environmental hazards.

"Owner or operator" means an entity that owns or operates EVSE locations or equipment for use by plug-in electric vehicle drivers, including an electric public utility, a site host, or a third-party provider.

"Plug-in electric vehicle" means a vehicle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle with an electric plug. "Plug-in electric vehicle" includes a plug-in hybrid vehicle. A plug-in electric vehicle may be a light duty, medium duty, or heavy duty vehicle.

"Plug-in hybrid vehicle" means a vehicle that can be charged from a source of electricity external to the vehicle through an electric plug, but is not exclusively powered by electricity.

"Range anxiety" means consumer concerns that public electric charging infrastructure may not be widely available, resulting in fewer electric vehicle purchases due to a perceived risk that a plug-in electric vehicle driver may be stranded with a fully discharged battery while on the road with no recharging source.

"Routine charging" means vehicle charging that takes place where a vehicle is parked for a long period of time, such as at the owner's residence overnight, a hotel, or a workplace during work hours, and which provides the primary and most common form of vehicle charging.

"Site host" means the entity with authority to host EVSE and network services at a given location in the State, proposing to serve as a charging location for use by the public or other authorized users.

"Third-party provider" means a non-utility entity that owns or provides EVSE or related equipment, or provides related services for the development, financing, design, installation, and operation of charging locations and the associated EVSE.

"Travel corridor" means the subset of heavily used public roads designated by the Electric Vehicle Working Group pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill) for inclusion in the essential public charging network established pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill), including the Garden State Parkway, the New Jersey Turnpike, the Atlantic City Expressway, federal interstate highways, and the subset of federal or State roads which collectively support the majority of long distance travel through and within the State as well as the majority of daily travel by local drivers.

3. (New section) a. There are established the following State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure in the State to support that use:

(1) at least 330,000 of the registered light duty vehicles in the State shall be plug-in electric vehicles by December 31, 2025;

(2) at least 2,000,000 of the registered light duty vehicles in the State shall be plug-in electric vehicles by December 31, 2035;

(3) at least 90 percent of all new light duty vehicles sold in the State shall be plug-in electric vehicles by December 31, 2040;

(4) (a) By December 31, 2021, at least 600 DC Fast Chargers shall be available for public use at no less than 300 charging locations in the State, in addition to any charging locations or EVSE already in place as of January 1, 2019; and (b) at least 100 of the 300 or more charging locations shall be at travel corridor locations, equipped with at least two DC Fast Chargers per location, each capable of providing at least 150 kilowatts of charging power, and no more than 25 miles between the charging locations; and (c) at least 200 of the 300 or more charging locations shall be community locations, equipped with at least two DC Fast Chargers per location, each capable of providing at least 50 kilowatts of charging power or more, and 150 kilowatts or more where feasible; and

(5) By December 31, 2021, at least 1000 Level Two chargers shall be available for public use across the State, and after initial installation, those EVSE may be upgraded to higher power or DC Fast Chargers as appropriate by the owner or operator; and

(6) (a) By December 31, 2025, 25 percent of all multi-family residential properties in the State shall be equipped with electric vehicle charging equipment for the routine charging of electric vehicles by residents through a combination of Level One EVSE, Level Two EVSE, or charger ready parking spaces, which collectively shall serve a percentage of resident parking spaces equal to the percentage of light duty vehicles registered in the State that are plug-in electric vehicles at the end of the preceding calendar year, or the percentage of vehicles owned by residents that are plug-in electric vehicles, whichever is higher, and (b) by

December 31, 2030, 50 percent of all multi-family properties shall be equipped for electric vehicle charging as described in subparagraph (a) of this paragraph;

(7) (a) By December 31, 2025, 25 percent of all overnight lodging establishments shall be equipped with electric vehicle charging equipment for routine electric vehicle charging by guests of the establishment by providing Level Two EVSE, which collectively shall serve a percentage of the guest parking spaces equal to the percentage of light duty vehicles registered in the State that are plug-in electric vehicles at the end of the preceding calendar year, and (b) by December 31, 2030, 50 percent of all overnight lodging establishments shall be equipped for electric vehicle charging as described in subparagraph (a) of this paragraph;

(8) (a) By December 31, 2025, 25 percent of all places of employment in the State shall provide at least two dedicated parking spaces and two charging plugs for either Level One or Level Two EVSE to their employees for routine electric vehicle charging on or near the property, and (b) by December 31, 2030, 50 percent of all places of employment in the State shall provide parking spaces and electric vehicle charging equipment as described in subparagraph (a) of this paragraph;

(9) (a) By December 31, 2025, at least 40 percent of State-owned non-emergency light duty vehicles shall be plug-in electric vehicles, and (b) by December 31, 2035 and thereafter, 100 percent of State-owned non-emergency light duty vehicles shall be plug-in electric vehicles; and

(10) (a) By the end of calendar year 2019, at least 5 percent of the new bus purchases made by the New Jersey Transit Corporation shall be plug-in electric vehicles, and (b) the percentage of plug-in electric vehicle purchases shall increase to 10 percent in 2020, 20 percent in 2021, 40 percent in 2022, 60 percent in 2023, 80 percent in 2024, and 100 percent in 2025 and thereafter, with vehicle electrification prioritized for low-income, urban, or environmental justice communities; and

(11) By December 31, 2020, other benchmarks shall be established for vehicle electrification and infrastructure development that address medium-duty and heavy-duty on-road diesel vehicles and associated charging infrastructure, similar to the State goals for light duty vehicles and consistent with the technology and electric vehicle markets for those vehicle types.

b. No later than January 1, 2020, and every five years thereafter, until December 31, 2040, the Department of Environmental Protection shall prepare and submit to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, a report that:

(1) assesses the current state of the plug-in electric vehicle market in New Jersey;

(2) measures the State's progress towards the goals established in subsection a. of this section;

(3) identifies barriers to the achievement of the goals; and

(4) makes recommendations for legislative or regulatory action to address the barriers.

4. (New section) a. There is established in the Department of Environmental Protection the Electric Vehicle Working Group. The working group shall develop a Statewide Vehicle Charging Infrastructure Plan for the long-term development and installation of plug-in electric vehicle charging infrastructure of all types across the State, and monitor its implementation and its effectiveness in advancing the State goals for electric vehicle use established pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

b. The working group shall consist of 19 members as follows:

(1) the Commissioner of Environmental Protection, the President of the Board of Public Utilities, the Commissioner of Transportation, the Executive Director of the New Jersey Transit Corporation, the Executive Director of the New Jersey Turnpike Authority, the Executive Director of the South Jersey Transportation Authority, the Commissioner of Community Affairs, the Executive Director of the Port Authority of New York and New Jersey, the Chief Executive Officer of the New Jersey Economic Development Authority, and the Director of the Division of Rate Counsel in, but not of, the Department of the Treasury, who shall serve ex officio, or their respective designees; and

(2) the following public members, appointed by the Governor:

(a) one representative of a stakeholder group representing the interests of the plug-in electric vehicle market in New Jersey;

(b) three representatives each representing a different electric public utility in the State;

(c) one representative of a potential site host for electric vehicle charging equipment;

(d) one representative of a third-party provider of electric vehicle charging locations or charging equipment;

(e) two representatives with appropriate expertise in plug-in electric vehicles, charging infrastructure, or transportation corridors, one of whom shall be recommended to the Governor by the Commissioner of Environmental Protection and one of whom shall be recommended to the Governor by the President of the Board of Public Utilities; and

(f) one representative of local governments in the State.

c. All appointments to the working group shall be made no later than 90 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill). The term of office of each public member shall be five years. Each public member shall serve until a successor has been appointed and qualified, and

vacancies shall be filled in the same manner as the original appointments for the remainder of the unexpired term. A public member is eligible for reappointment to the working group. The members of the working group shall serve without compensation, but shall be eligible for necessary and reasonable expenses incurred in the performance of their official duties within the limits of funds appropriated or otherwise made available for the working group's purposes.

d. The working group shall organize as soon as practicable following the appointment of its members and shall select a chairperson and a vice-chairperson from among its members, as well as a secretary who need not be a member of the working group. A majority of the membership of the working group shall constitute a quorum for the transaction of working group business. The working group may meet and hold hearings at the place or places the working group designates.

The working group shall be entitled to call to its assistance and avail itself of the services of the employees of any State, county, or municipal department, board, bureau, commission, or agency as the working group may require and as may be available to the working group for its purposes.

e. Within 90 days after organization, the working group shall develop a public education program to be implemented by the Department of Environmental Protection to educate consumers about the availability and benefits of plug-in electric vehicles in New Jersey, public vehicle charging infrastructure, programs or policies that provide incentives for the use of plug-in electric vehicles, and the State goals set forth in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

f. (1) Within 180 days after organization, the working group, in consultation with the Department of Transportation, the New Jersey Transit Corporation, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, and the Port Authority of New York and New Jersey, shall designate the travel corridors to be integrated into, and serviced by, the essential public charging network, established pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill). Upon designation of the travel corridors, the working group shall notify the necessary entities for implementation of the essential public charging network and compliance with the requirements of section 10 of P.L. , c. (C.) (pending before the Legislature as this bill).

(2) The working group may from time to time include additional public roads in the essential public charging network as necessary to achieve the density of public charging locations sufficient to reduce range anxiety and provide efficient and effective access to public electric vehicle servicing equipment.

g. No later than one year after its first organizational meeting, the working group shall publish the Statewide Vehicle Charging

Infrastructure Plan. The working group shall annually update the plan in accordance with the information provided by the Department of Environmental Protection in the reports and plug-in electric vehicle market updates issued pursuant to subsection b. of section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

h. The working group shall incorporate into the Statewide Vehicle Charging Infrastructure Plan:

(1) Estimates of the quantity and types of electric vehicle charging equipment and infrastructure required to be installed through calendar year 2035 to achieve the plug-in electric vehicle goals established in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), and a schedule for installation of that charging equipment and infrastructure, including but not limited to, public DC fast chargers, Level Two EVSE, workplace charging facilities, overnight charging facilities at overnight lodging establishments, fleet charging infrastructure of various types, residential charging for single family homes, and residential charging for multi-family homes;

(2) Strategies for creating general market conditions necessary for long-term development of public electric vehicle charging infrastructure that fully address range anxiety, meet routine charging needs, ensure attainment of the goals established in P.L. , c. (C.) (pending before the Legislature as this bill), and establish minimum standards for equitable, reliable, and convenient access to highly visible electric vehicle charging infrastructure of all types;

(3) Methods for monitoring and compiling data on Statewide plug-in electric vehicle purchases, EVSE use, the percentage of Statewide electric vehicle miles traveled, utility distribution system impacts, and other statistics for assessing plug-in electric vehicle adoption and developing and maintaining effective charging infrastructure;

(4) Guidelines to ensure that infrastructure is being made available across all socioeconomic and geographic segments of the State, and programs that support the vehicle electrification needs for low-income, urban, or environmental justice communities, including electrified public transportation and innovative electrified advanced mobility solutions;

(5) Recommended policies, regulations, programs, and other initiatives that ensure responsible integration of plug-in electric vehicle charging infrastructure with the electric gird, and which maximize the beneficial impact of that infrastructure and vehicle charging for the plug-in electric vehicle market and utility ratepayers;

(6) Recommended policies, regulations, programs, or other initiatives that may be taken by State agencies, the public electric utilities, and other organizations or market participants to achieve

the long-term success of the goals established in P.L. , c. (C.) (pending before the Legislature as this bill);

(7) Statewide consumer awareness campaigns that highlight the availability of electric vehicle charging infrastructure in the State, with a specific focus on addressing consumer concerns about range anxiety and the availability of public charging infrastructure, to be implemented by the government entities represented in the working group; and

(8) Updates on the implementation of the essential public charging network pursuant to sections 10 through 14 of P.L. , c. (C.) (pending before the Legislature as this bill) and the Light Duty Plug-in Vehicle Rebate Program pursuant to sections 15 through 20 of P.L. , c. (C.) (pending before the Legislature as this bill).

i. The working group shall coordinate the development and publication of the Statewide Vehicle Charging Infrastructure Plan with development and revision of the State Energy Master Plan, incorporating relevant provisions to ensure that implementation of the plans are consistent.

j. (1) The working group shall also study, develop, and identify needs, opportunities, and strategies for expanding electrification of vehicles beyond private ownership of light duty plug-in electric vehicles, and to provide funding and programs to:

(a) ensure equitable participation in vehicle electrification benefits and programs by low-income, urban, or environmental justice communities and other communities that suffer from deficient mobility options and disproportionate negative environmental impacts;

(b) ensure the development of electric advanced mobility solutions and other transportation alternatives that serve those communities; and

(c) expand the electrification of the wide range of heavy duty and medium duty vehicles typically powered by diesel fuel, that may also benefit from electrification, including, but not limited to, public buses, medium and heavy duty trucks, drayage equipment, and other off-road transportation, with particular focus on the use of these vehicles and equipment at and around New Jersey ports.

(2) The working group may develop any other programs to further the use of electric vehicles in the State and shall incorporate its findings and recommendations into its annual reports.

k. The working group shall issue a final report on the Statewide Vehicle Charging Infrastructure Plan during the calendar year 2035 and shall dissolve 30 days after the final report is issued.

l. After dissolution of the working group, the Department of Environmental Protection shall update and implement the Statewide Vehicle Charging Infrastructure Plan.

5. (New section) The Department of Environmental Protection shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary for the development and installation of plug-in electric vehicle charging infrastructure to achieve the goals set forth in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) and for implementation of any initiatives and programs established pursuant to P.L. , c. (C.) (pending before the Legislature as this bill).

6. (New section) The Department of Community Affairs shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary to achieve the goals set forth in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) and to implement the programs established pursuant to P.L. , c. (C.) (pending before the Legislature as this bill), including:

a. new policies, guidelines, and regulations affecting municipalities, revision of building codes, standards, permitting, and other processes or procedures related to electric vehicle charging infrastructure of all types, in all impacted building types that would facilitate development of routine charging infrastructure in a variety of settings; and

b. new programs, procedures, rules and regulations, and guidelines that would facilitate development of vehicle charging infrastructure of all types by local government units in the State, including issuance of formal guidance that would allow local government units to utilize the competitive contracting provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), in order to partner with private parties for the design, permitting, financing, installation, operation, and management of all EVSE installations; and

c. any new programs, procedures, rules and regulations, and guidelines that would increase the use of plug-in electric vehicles and expand the number of EVSE installations available for the public use.

7. (New section) The Department of Transportation, in consultation with the New Jersey Transit Corporation, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, and the New Jersey Economic Development Authority, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary for the development and installation of infrastructure to achieve the goals set forth in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) and for implementation

of programs established pursuant to P.L. , c. (C.) (pending before the Legislature as this bill).

8. (New section) As used in sections 8 through 20 of P.L. , c. (C.) (pending before the Legislature as this bill):

"Board" means the Board of Public Utilities.

"Charger ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of electric vehicle service equipment, including, but not limited to, Level Two EVSE, and a clearly defined process by which prospective users of vehicle chargers may request and benefit from installation of an appropriate EVSE at the pre-wired parking space;

"Charging location" means a publicly accessible parking space or set of parking spaces, with visible signage designating that the parking space or spaces are available for use by the public for charging plug-in electric vehicles.

"Community location" means a charging location that is not a corridor location, and that is established in a town center, commercial area, retail center, or other site, or near concentrations of multi-family dwellings, to provide vehicle charging services to local plug-in electric vehicle drivers near where they live or work.

"Corridor location" means a charging location located along a travel corridor roadway, or within two miles of that roadway, which is intended to provide access to vehicle charging services for long distance drivers and en-route vehicle charging services for local drivers.

"DC Fast Charger" means electric vehicle service equipment that provides at least 50 kilowatts of direct current electrical power for charging a plug-in electric vehicle through a standardized connector, and which is approved for installation for that purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Department" means the Department of Environmental Protection.

"Electric vehicle service equipment" or "EVSE" means the equipment, including the cables, cords, conductors, connectors, couplers, enclosures, attachment plugs, power outlets, switches and controls, network interfaces, and point of sale equipment and associated apparatus designed and used for the purpose of transferring energy from the electric supply system to a plug-in electric vehicle. "EVSE" may deliver either alternating current or direct current electricity as determined by industry standards.

"Eligible recipient" means any purchaser of an eligible vehicle who did not receive the applicable electric vehicle rebate at the time of purchase as part of a reduction of the eligible vehicle's purchase price, or any seller of an eligible vehicle who has disbursed the electric vehicle rebate pursuant to P.L. , c. (C.) (pending

before the Legislature as this bill) to a purchaser at the time of sale through a pass-through reduction in the sale price.

"Eligible vehicle" means a new light duty plug-in electric vehicle, with an MSRP of $55,000 or less, purchased after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill).

"Essential public charging network" or "network" means the public charging infrastructure installed pursuant to section 9 of P.L. , c. (C.) (pending before the Legislature as this bill), as part of the Statewide initiative to encourage the plug-in electric vehicle market in the State, and which provides a basic level of Statewide public charging infrastructure sufficient to minimize range anxiety and meet other public charging needs.

"Industry equipment standards" means the electric vehicle charging equipment industry standards, including the CHAdeMO standard and the Society of Automotive Engineers Combined Charging Standard (CCS).

"Level Two EVSE" means EVSE that provides a plug-in electric vehicle with single phase alternating current electrical power at 208-240 Vac, through a standardized plug connector that complies with SAE J1772 standards, or an equivalent wireless power transfer interface, or equivalent standards for 208-240 Vac charging as may be adopted in the future and accepted by the board, and which is approved for installation for this purpose under the National Electric Code through Underwriters Laboratories Certification or an equivalent certifying organization.

"Light duty vehicle" means any two-axle, four-wheel vehicle, designed primarily for passenger travel or light duty commercial use, and approved for travel on public roads. "Light duty vehicle" includes, but is not limited to, any vehicle commonly referred to as a car, minivan, sport utility vehicle, cross-over, or pick-up truck.

"Light Duty Plug-in Electric Vehicle Rebate Program" or "rebate program" means the program established pursuant to section 14 of P.L. , c. (C.) (pending before the Legislature as this bill) to encourage the purchase of light duty plug-in electric vehicles.

"Local government unit" means a county, municipality, or any board, commission, committee, authority or agency thereof that is subject to the provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), including a housing authority or redevelopment agency created or continued under the "Local Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.).

"Managed charging" means policies, programs, regulations, technologies, specially designed rates or tariffs, or other methods that influence or control when or how vehicle charging takes place in order to minimize harmful impacts to the electric distribution system or the electric transmission system while maximizing electric vehicle charging benefits.

"MSRP" means the published manufacturer's suggested retail price, as set by a vehicle's manufacturer, at the time of sale.

"Owner or operator" means an entity that owns or operates EVSE locations or equipment for use by plug-in electric vehicle drivers, including an electric public utility, a site host, or a third-party provider.

"Plug-in electric vehicle" means a vehicle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle with an electric plug. "Plug-in electric vehicle" includes a plug-in hybrid vehicle. A plug-in electric vehicle may be a light duty, medium duty, or heavy duty vehicle.

"Plug-in Electric Vehicle Rebate Fund" or "fund" means a non-lapsing account established to fund rebate disbursements under the Light Duty Plug-in Electric Vehicle Rebate Program, established pursuant to section 16 of P.L. , c. (C.) (pending before the Legislature as this bill).

"Plug-in hybrid vehicle" means a vehicle that can be charged from a source of electricity external to the vehicle through an electric plug, but is not exclusively powered by electricity.

"Range anxiety" means consumer concerns that public electric charging infrastructure may not be widely available, resulting in fewer electric vehicle purchases due to a perceived risk that a plug-in electric vehicle driver may be stranded with a fully discharged battery while on the road with no recharging source.

"Rebate disbursement" means the payment of an electric vehicle rebate, established by the Board of Public Utilities pursuant to section 14 of P.L. , c. (C.) (pending before the Legislature as this bill), to an eligible recipient.

"Seller of an eligible vehicle" means an entity that sells an eligible vehicle to a consumer or fleet owner in the State, and may include an automobile dealership, third-party financing entity, manufacturer selling directly to the public, or any other entity selling motor vehicles to consumers in the State.

"Site host" means the entity with authority to host EVSE and network services at a given location in the State, proposing to serve as a charging location for use by the public or other authorized users.

"Third-party provider" means a non-utility entity that owns or provides EVSE or related equipment, or provides related services for the development, financing, design, installation, and operation of charging locations and the associated EVSE.

"Travel corridor" means the subset of heavily used public roads designated by the Electric Vehicle Working Group pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill) for inclusion in the essential public charging network established pursuant to section 9 of P.L. , c. (C.) (pending before the Legislature as this bill), including the Garden State

Parkway, the New Jersey Turnpike, the Atlantic City Expressway, federal interstate highways, and the subset of federal or State roads which collectively support the majority of long distance travel through and within the State as well as the majority of daily travel by local drivers.

9. (New section) a. Within 90 days after the designation of travel corridors by the Electric Vehicle Working Group pursuant to paragraph (1) of subsection f. of section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), the Board of Public Utilities, in cooperation with the electric public utilities in the State, the Department of Transportation, the New Jersey Turnpike Authority, and the South Jersey Transportation Authority, shall develop the essential public charging network, to be implemented by the electric public utilities pursuant to subsection b. of this section and section 10 of P.L. , c. (C.) (pending before the Legislature as this bill). The essential public charging network shall:

(1) provide sufficient public charging infrastructure to support a significant expansion in the use of plug-in electric vehicles in the State and consumer confidence in using these vehicles;

(2) integrate with the electric distribution system and the electric transmission system; and

(3) provide a level of public charging infrastructure sufficient to minimize consumer range anxiety.

b. By December 31, 2021 or as soon thereafter as practicable, the board shall require electric public utilities, through contracts with third-party providers and site hosts in their respective service territories, to implement the charging network Statewide, collectively providing, at a minimum, and in addition to any electric vehicle service equipment in place on or before January 1, 2018:

(1) 100 DC Fast Charger locations at corridor locations equipped with at least two DC Fast Chargers per location, each capable of providing at least 150 kilowatts of power, with no more than 25 miles between locations wherever feasible;

(2) 200 DC Fast Charger locations at community locations equipped with at least two DC Fast Chargers per location, each capable of providing at least 50 kilowatts of power and up to at least 150 kilowatts wherever feasible; and

(3) 1000 publicly accessible Level Two EVSE, which after the initial installation may be upgraded to DC Fast Chargers or higher power levels as deemed appropriate by the owner or operator of the EVSE at the network location.

The provisions of this subsection shall not preclude the installation of additional EVSE at any network location, or a Level Two EVSE or DC Fast Charger of 50 KW or above, as considered appropriate by the owner or operator of the EVSE at the network location.

c. (1) All network DC Fast Chargers shall provide at least two plug types, compliant with the industry equipment standards as defined at the time of installation, and other additional standards as may be introduced based on technology improvements or changes in applicable technical standards and approved for inclusion by the board.

(2) All network equipment and infrastructure shall be equally accessible by all plug-in electric vehicles, and the operators thereof, and shall be available for use by the public without unreasonable commercial or technical restrictions.

(3) All network charging locations shall be highly visible along public roadways, with standardized signage easily visible on roadways, and the locations shall be posted on line in a manner that makes them easy to identify and locate.

(4) All network infrastructure development plans shall make use of design innovations, technologies, and other methods to:

(a) minimize harmful impact on the electric grid wherever needed and the integration and operation costs; and

(b) maximize the beneficial impact vehicle charging and charging infrastructure may have on the electric grid.

10. (New section) a. No later than one year after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), each electric public utility in the State shall submit to the board a proposed plan for the construction and long-term operation of the essential public charging network within its service territory. The proposed charging network plan shall:

(1) establish a process and timeframe for identifying site hosts, third-party providers, and potential locations for the DC Fast Chargers at corridor locations and community locations, and for the publicly accessible Level Two EVSE required to be installed pursuant to paragraph (2) of subsection b. of section 9 of P.L. , c. (C.) (pending before the Legislature as this bill);

(2) outline the terms of the agreements and contracts to be entered into by the electric public utility and each of the site hosts and third-party providers in order to install the components of the network required pursuant to subsection b. of section 9 of P.L. , c. (C.) (pending before the Legislature as this bill) by December 31, 2021, which may include, pending board approval, a variety of approaches for owning and operating the network, including (a) site host owned and operated EVSE, (b) third party provider or electric public utility owned and operated EVSE, or (c) mixed arrangements whereby multiple entities are involved in owning and operating the locations and EVSE;

(3) provide cost estimates for the installation and operation of the required network components;

(4) provide methods for the development, installation, and operation of the network locations, EVSE, and electrical

infrastructure and for financing its installation and operation, including, but not necessarily limited to (a) financing plans, financial incentives, new rate designs, tariffs, and how the costs of any programs offered in the proposal shall be recovered fully and in a timely fashion through a separate utility rate clause as approved by the board, (b) partnership programs with local government units or other parties, managed charging or demand response programs, streamlined processes and programs to facilitate interconnection, (c) marketing and other programs to build consumer awareness, and (d) technology trials or other programs that support the goals of P.L. , c. (C.) (pending before the Legislature as this bill).

b. The board may determine any electric public utility proposed charging network plan submitted within 18 months prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) fulfills the requirements of subsection a. of this section if the board determines the proposed charging network plan is consistent with the goals and requirements of P.L. , c. (C.) (pending before the Legislature as this bill). The board shall make the determination no later than 90 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) and shall notify the electric public utility immediately:

(1) if the proposed charging network plan is determined to be inconsistent with the goals and requirements of P.L. , c. (C.) (pending before the Legislature as this bill); and

(2) the date by which the electric public utility shall be required to submit a new proposed charging network plan in compliance with this section.

c. No later than 180 days after receipt of a proposed charging network plan pursuant to subsection a. or b. of this section, the board shall review and issue a determination approving, rejecting, or approving with modifications the proposed charging network plan. The board shall apply the following criteria for this review and determination:

(1) The proposed charging network plan is consistent with, and supports attaining the goals of P.L. , c. (C.) (pending before the Legislature as this bill);

(2) The expenditures estimated and set forth in the proposed charging network plan are reasonable for attaining the goals of P.L. , c. (C.) (pending before the Legislature as this bill); and

(3) The proposed charging network plan is likely to accomplish the installation of the required elements of the network in a timely manner.

d. The board order approving, or approving with modifications, an electric public utility’s proposed charging network plan shall provide for and approve full and timely recovery through a separate

utility rate clause covering all reasonable costs, which may be included in the electric public utility's rate base as either a capital or regulatory asset. The electric public utility shall implement its charging network plan by using funding sources other than recovering electric public utility expenditures through customer rates whenever feasible.

e. (1) Upon approval of a charging network plan pursuant to this section, the electric public utility shall implement the charging network plan, and may enter into any necessary agreements or contracts with site hosts or third-party providers.

(2) An electric public utility charging network plan that provides for network locations developed by site hosts or third-party providers shall;

(a) use a competitive process, wherever feasible, to engage site hosts or third-party providers, as applicable, in (i) developing projects, (ii) providing EVSE and services, and (iii) owning and operating the locations and EVSE for public use;

(b) leverage private investment wherever possible;

(c) provide customer choice in equipment;

(d) optimize net benefit for ratepayers;

(e) avoid unfair limits on the involvement of non-utility market participants;

(f) maximize public benefit by (i) ensuring universal access, (ii) encouraging the use of open standards, (iii) promoting interoperability and network roaming, (iv) providing a consistent consumer experience, and (v) provide for appropriate consideration of future infrastructure needs; and

(g) promote development of a competitive market for continued growth in public charging infrastructure beyond the network.

f. An electric public utility charging network plan that provides for utility ownership and operation of locations or EVSE as part of the network, as approved by the board, shall:

(1) use a competitive process to engage site hosts or third-party providers for EVSE and services, as applicable;

(2) provide customer choice in equipment;

(3) optimize net benefit for ratepayers;

(4) avoid unfair limits on the involvement of non-utility market participants; and

(5) maximize public benefit by (a) ensuring universal access, (b) encouraging the use of open standards, (c) promoting interoperability and network roaming, and providing a consistent consumer experience, (d) providing for appropriate consideration of future infrastructure needs, and (e) promoting development of a competitive market for continued growth in public charging infrastructure beyond the network.

g. The electric public utilities shall propose tariffs, incentive programs, or other methods that ensure electricity costs for public charging facilities are not restrictive during early market conditions

when utilization is low, as determined by the board, including consideration of demand charge impacts, and the costs of such tariffs, programs, or methods shall be recovered fully and in a timely fashion through a separate utility rate clause as approved by the board. The tariffs, programs, or other methods may be approved for EVSE that are part of the network, or for any other EVSE that is available for public use and which meets any additional requirements deemed necessary by the board.

h. Electric public utilities may propose other programs, incentives, tariffs, or initiatives to support the development of vehicle charging infrastructure of all types, consistent with the goals of P.L. , c. (C.) (pending before the Legislature as this bill), including but not limited to:

(1) workplace EVSE programs for use by employees;

(2) EVSE programs for lodging establishments for use by overnight guests;

(3) EVSE programs for residential use in multi-family and single-family housing;

(4) EVSE for fleet operators;

(5) EVSE for NJ Transit Corporation;

(6) marketing and consumer awareness campaigns;

(7) innovative market or technology trials;

(8) solutions addressing demand charge implications on electricity costs;

(9) programs that facilitate renewable energy and electricity storage integration;

(10) programs that encourage vehicle charging at optimal times of day; and

(11) programs or technology that enable interactive use of plug-in electric vehicles as distributed energy resources that support and enhance operation of the public grid through two-way exchanges of electricity.

i. Unless otherwise specifically provided pursuant to Title 48 of the Revised Statutes or any other federal or State law, an entity owning, controlling, operating, or managing an electric vehicle charging station shall not be deemed an electric public utility solely because of that ownership, control, operation, or management. The charging of an electric vehicle shall be deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider pursuant to P.L.1999, c.23 (C.48:3-49 et al.).

11. (New section) a. The New Jersey Turnpike Authority shall, consistent with a charging network plan approved by the board pursuant to section 9 of P.L. , c. (C.) (pending before the Legislature as this bill):

(1) By December 31, 2021, or as soon thereafter as practicable, establish publicly accessible EVSE parking spaces for the exclusive

use by plug-in electric vehicles at each of the service areas along the New Jersey Turnpike and the Garden State Parkway;

(2) Provide at least two parking spaces for network DC Fast Chargers with supporting EVSE at each location by December 31, 2021, and at least eight spaces for DC Fast Chargers at each location that are charger ready with the electrical infrastructure required to support future DC Fast Charger installations. The allocation of these spaces shall not preclude the installation of EVSE in addition to those required for the network, as the New Jersey Turnpike Authority determines to be beneficial to the increased use of electric vehicles in the State;

(3) Monitor usage of all EVSE at all of the New Jersey Turnpike and Garden State Parkway service areas, and expand the EVSE equipment and number of spaces served by EVSE as needed to ensure reliable and convenient use by the public;

(4) Pursue public-private partnerships for the purpose of facilitating the development, funding, and operation of the public electric vehicle charging infrastructure required pursuant to P.L. , c. (C.) (pending before the Legislature as this bill); and

(5) Charge electric vehicle drivers using the EVSE a reasonable amount to recover costs associated with installation and operation of EVSE for public use, either directly, or through third parties that have been contracted to provide vehicle charging services at each service area.

b. For EVSE located on State-owned properties, or on properties owned or controlled by local government units, and which are owned or operated by a third party, charges for service may include a fee that is transferable to the State agency or local government unit as a concession pursuant to a written agreement between the owner or operator and the State agency or local government unit.

12. (New section) a. The South Jersey Transportation Authority shall, consistent with a charging network plan approved by the board pursuant to section 9 of P.L. , c. (C.) (pending before the Legislature as this bill):

(1) By December 31, 2021, or as soon thereafter as practicable, establish publicly accessible EVSE parking spaces for the exclusive use by plug-in electric vehicles at each of the service areas along the Atlantic City Expressway;

(2) Provide at least two parking spaces for network DC Fast Chargers with supporting EVSE at each location by December 31, 2021, and at least eight spaces for DC Fast Chargers at each location that are charger ready with the electrical infrastructure required to support future DC Fast Charger installations. The allocation of these spaces shall not preclude the installation of EVSE in addition to those required for the network, as the South

Jersey Transportation Authority determines to be beneficial to the increased use of electric vehicles in the State;

(3) Monitor usage of all EVSE at all of the Atlantic City Expressway service areas, and expand the EVSE equipment and number of spaces served by EVSE as needed to ensure reliable and convenient use by the public;

(4) Pursue public-private partnerships for the purpose of facilitating the development, funding, and operation of the public electric vehicle charging infrastructure required pursuant to P.L. , c. (C.) (pending before the Legislature as this bill); and

(5) Charge electric vehicle drivers using the EVSE a reasonable amount to recover costs associated with installation and operation of EVSE for public use, either directly, or through third parties that have been contracted to provide vehicle charging services at each service area.

b. For EVSE located on State agency-owned properties, or on properties owned or controlled by local government units, and which are owned or operated by a third party, charges for service may include a fee that is transferable to the State agency or local government unit as a concession pursuant to a written agreement between the owner or operator and the State agency or local government unit.

13. (New section) a. The Department of Transportation shall, consistent with a charging network plan approved by the board pursuant to section 9 of P.L. , c. (C.) (pending before the Legislature as this bill):

(1) By December 31, 2021, or as soon thereafter as practicable, establish publicly accessible EVSE parking spaces at rest areas along Interstate highways under its jurisdiction;

(2) In cooperation and consultation with the New Jersey Turnpike Authority and the South Jersey Transportation Authority, and other State and local authorities as required, shall establish consistent and effective signage along the travel corridors and local roadways in the State and at EVSE locations to inform the public of EVSE locations, provide guidance for reaching the publicly accessible charging locations, and indicate the type of EVSE available at the location. The signage shall indicate the availability of DC Fast Chargers wherever they are available;

(3) Coordinate with federal authorities to (a) ensure the use of standardized signage indicating the availability of nearby EVSE along federal interstate highways, similar to current signage in use regarding fuel and other local amenities, and (b) negotiate any necessary agreements or contracts to facilitate the installation of EVSE at charging locations in the State along federal interstate highways and the charging of electric vehicle drivers using the EVSE a reasonable amount to recover New Jersey electric public utility costs associated with installation and operation of EVSE for

public use, either directly, or through third parties that have been contracted to provide vehicle charging services at each service area.

b. For EVSE located on State agency-owned properties, or on properties owned or controlled by local government units, and which are owned or operated by a third party, charges for service may include a fee that is transferable to the State agency or local government unit as a concession pursuant to a written agreement between the owner or operator and the State agency or local government unit.

14. (New section) a. No later than 90 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Board of Public Utilities, in cooperation with the State Treasurer and the Department of Environmental Protection, shall establish and implement a "Light Duty Plug-in Electric Vehicle Rebate Program" for the purpose of encouraging the purchase of light duty plug-in electric vehicles.

b. The board shall implement the rebate program until June 30th of the 10th year after the rebate program begins, or after $300,000,000 in rebate disbursements have been paid from the fund, whichever occurs first.

c. (1) The board shall establish the electric vehicle rebate as a one-time payment to the purchaser of a new light duty plug-in electric vehicle in an amount set and calculated by the department as equal to at least $25 per mile of the eligible vehicle's electric power range as certified by the United States Environmental Protection Agency and determined by the Department of Environmental Protection, up to a maximum of $5,000 per eligible vehicle.

(2) The board, in consultation with the department, shall determine the electric vehicle rebate amount consistent with the provisions of this section for all eligible vehicles available for sale in the State and shall publish the schedule of rebate amounts for all eligible vehicles quarterly.

(3) The board may adjust the rebate amount provided in paragraph (1) of this subsection as necessary to achieve or sustain the State's electric vehicle goals established pursuant to section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), provided that electric vehicle rebate amounts shall not be not changed more frequently than once per aggregate disbursement of $100,000,000 from the "Plug-in Electric Vehicle Rebate Fund," established pursuant to section 16 of P.L. , c. (C.) (pending before the Legislature as this bill).

(4) The board may establish limits on the number of electric vehicle rebates issued to a purchaser as necessary.

d. The board shall monitor the rebate disbursements, and shall annually reassess the design and implementation of the rebate

program. Provided the board's action does not violate the provisions of subsection c. of this section, the board may:

(1) revise the rebate program, any aspect of the rebates, or the related implementation procedures or processes; and

(2) establish additional rebates consistent with the goals of P.L. , c. (C.) (pending before the Legislature as this bill).

e. Notwithstanding any other provision of law to the contrary, a light duty plug-in hybrid vehicle shall not qualify for a rebate under the "Light Duty Plug-in Electric Vehicle Rebate Program" after December 31, 2022. An eligible recipient seeking a rebate for a light duty plug-in hybrid vehicle shall file an application for the rebate pursuant to section 17 of P.L. , c. (C.) (pending before the Legislature as this bill) on or before December 31, 2022.

f. The board, in cooperation and consultation with the Electric Vehicle Working Group established pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), shall develop and implement a Statewide public education program to publicize the availability of the electric vehicle rebates pursuant to the rebate program and shall coordinate with motor vehicle dealerships, electric public utilities, plug-in electric vehicle manufacturers doing business in the State, and other relevant stakeholder organizations to ensure public awareness of the rebate program.

15. (New section) a. The seller of an eligible vehicle shall offer the electric vehicle rebate in conjunction with, and in addition to, any other incentive offered by the seller of the eligible vehicle.

b. A vehicle dealership, at its discretion, may provide a purchaser the option to have the amount of the electric vehicle rebate deducted from the final negotiated and agreed upon sale price of the eligible vehicle, in which case the full amount of the electric vehicle rebate shall be passed through to the purchaser in full and payment thereof shall be effective immediately at the time of the final sale and transfer of the eligible vehicle to the purchaser.

c. If the vehicle dealership does not deduct the amount of the electric vehicle rebate from the final negotiated and agreed upon sale price of the eligible vehicle, or the purchaser does not receive the electric vehicle rebate at the time of purchase, the purchaser may apply directly to the State Treasurer, pursuant to section 17 of P.L. , c. (C.) (pending before the Legislature as this bill), to receive any applicable rebate. The vehicle dealership shall provide to those purchasers at the time of the final sale and transfer of the ownership of the eligible vehicle all the paperwork and transaction-related documentation required by the State Treasurer pursuant to section 17 of P.L. , c. (C.) (pending before the Legislature as this bill) for the purchaser to apply for the electric vehicle rebate.

d. The Board of Public Utilities shall provide a website, accessible by the public, that provides up-to-date information about rebate availability, and a mechanism for securing for a specified, limited time rebate commitment for an eligible vehicle purchase.

e. The board shall require each seller of a new plug-in electric vehicle to notify the board, upon the final sale and transfer of vehicle to a purchaser, the following information regarding each plug-in electric vehicle sold:

(1) the vehicle's make, model, and battery size; and

(2) the physical address of the location where the vehicle is expected to typically reside overnight.

f. The board shall provide on a quarterly basis to any electric public utility operating in the State the information required and collected pursuant to subsection e. of this section in order to facilitate the appropriate planning for, and reinforcement of, electricity distribution and infrastructure affected by vehicle charging requirements.

16. (New section) a. There is established in the Department of the Treasury a special, nonlapsing fund to be known as the "Plug-in Electric Vehicle Rebate Fund," also referred to as "the fund." The fund shall be administered by the State Treasurer and shall be credited with:

(1) moneys deposited by the Board of Public Utilities pursuant to this subsection for the purposes of the fund;

(2) moneys as are appropriated by the Legislature; and

(3) any return on investment of moneys deposited in the fund.

The board may deposit into the fund moneys received from the societal benefits charge established pursuant to section 11 of P.L.1999, c.23 (C.48:3-60), moneys made available to the board pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources as determined by the board.

b. Moneys in the fund may be used by the Department of the Treasury solely for authorized rebate disbursements to eligible recipients. The moneys in the fund shall not be used for any administrative costs incurred by the Board of Public Utilities, the Department of Environmental Protection, or the State Treasurer to implement P.L. , c. (C.) (pending before the Legislature as this bill).

c. Notwithstanding the provisions of the "Local Budget Law," N.J.S.40A:4-1 et seq., to the contrary, a county, municipality, or an authority as that term is defined in section 3 of P.L.1983, c.313 (C.40A:5A-3) required to comply with the provisions of P.L.2005, c.219 (C.26:2C-8.26 et al.) may anticipate in its annual budget, or any amendments or supplements thereto, those sums to be reimbursed from the fund for the purchase of new light duty plug-in electric vehicles by the county, municipality, or authority. For the

purposes of subsection 1. of section 3 of P.L.1976, c.68 (C.40A:4-45.3) and subsection g. of section 4 of P.L.1976, c.68 (C.40A:4-45.4), any rebate provided pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) shall be considered an amount to be received from State funds in disbursement for local expenditures and therefore exempt from the limitation on local budgets imposed pursuant to section 2 of P.L.1976, c.68 (C.40A:4-45.2).

17. (New section) a. An eligible recipient shall file an application for an electric vehicle rebate with the Department of the Treasury on a form to be developed by the State Treasurer and the board, and with any documentation required by the State Treasurer pursuant to subsection b. of this section. Neither the State Treasurer nor the board may charge an application fee.

b. Moneys in the fund shall be allocated and used to provide rebate disbursements in the manner provided in this section and section 16 of P.L. , c. (C.) (pending before the Legislature as this bill). The State Treasurer, in consultation with the board and the department, shall determine the applicability and the calculation of an electric vehicle rebate in accordance with section 14 of P.L. , c. (C.) (pending before the Legislature as this bill). The State Treasurer may require an eligible recipient to submit any documentation the State Treasurer determines necessary, including, but not limited to, an invoice of sale indicating the applicable purchase price, the amount of rebate provided to the purchaser of an eligible vehicle, and the final cost of the vehicle after the rebate was deducted.

c. Upon a determination that an application meets all established criteria for a rebate disbursement from the fund, the State Treasurer shall approve the application and award the appropriate disbursement to the applicant. All rebate payments shall be issued within 10 business days after the receipt of a complete application and its approval.

d. The State Treasurer shall certify to the board every 30 days the amount available in the fund for the next 30 days.

18. (New section) a. The State Treasurer shall adopt, in consultation with the board and the department, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations:

(1) establishing the filing requirements for a complete application for a rebate disbursement from the fund; and

(2) prescribing the necessary documentation of the purchase of an eligible vehicle, pass through to the consumer of the applicable rebate, or any other documentation required by the State Treasurer, board, or department for rebate disbursement.

b. When establishing requirements for an application for rebate disbursement, the State Treasurer shall strive to minimize the complexity of the application process and any costs to an applicant for complying with application requirements.

19. (New section) a. The State Treasurer may deny an application for rebate disbursement from the fund, and any rebate disbursement from the fund may be recoverable by the State Treasurer, upon a finding that:

(1) the applicant is not an eligible recipient;

(2) the applicant provided false information to obtain a rebate disbursement, or withheld information on an application that would render the applicant ineligible for the rebate disbursement; or

(3) the applicant provided false information or withheld information that resulted in the applicant receiving a larger rebate disbursement than the amount the applicant would otherwise be eligible.

b. Nothing in this section shall be construed to require the State Treasurer, board, department, or any other State agency to undertake an investigation or make any findings concerning the conduct described in subsection a. of this section.

20. (New section) The Board of Public Utilities shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary for the development and installation of infrastructure to achieve the goals set forth in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) and for implementation of any initiatives and programs established pursuant to P.L. , c. (C.) (pending before the Legislature as this bill).

21. Section 2 of P.L.2003, c.266 (C.26:2C-8.16) is amended to read as follows:

2. As used in **[**sections 1 through 7 of**]** P.L.2003, c.266 **[**(C.2C:2C-8.15 et seq.)**]** (C.26:2C-8.15 et al.):

"Advanced technology partial zero emission vehicle" means a vehicle certified as an advanced technology partial zero emission vehicle pursuant to the California Air Resources Board vehicle standards for the applicable model year **[**;**]** .

"California Low Emission Vehicle program" means the second phase of the low emission vehicle program being implemented in the State of California, pursuant to the provisions of the Federal Clean Air Act and the California Code of Regulations **[**;**]** .

"Commissioner" means the Commissioner of Environmental Protection **[**;**]** .

"Department" means the Department of Environmental Protection **[**;**]** .

"Federal Clean Air Act" means the federal "Clean Air Act," 42 U.S.C. s.7401 et seq., and any subsequent amendments or supplements to that act **[**;**]** .

["Low Emission Vehicle Review Commission" means the commission established by subsection a. of section 5 of P.L.2003, c.266 (C.26:2C-8.19);**]**

"Partial zero emission vehicle" means a vehicle certified as a partial zero emission vehicle pursuant to the California Air Resources Board vehicle standards for the applicable model year **[**;**]** .

"State implementation plan" means the State implementation plan for national ambient air quality standards adopted for New Jersey pursuant to the federal Clean Air Act **[**;**]** .

"Zero emission vehicle" means a vehicle certified as a zero emission vehicle pursuant to the California Air Resources Board zero emission vehicle standards for the applicable model year, but shall not include an advanced technology partial zero emission vehicle or a partial zero emission vehicle **[**; and**]** .

"Zero emission vehicle requirement" means the percentage or number of those vehicles certified as zero emission vehicles pursuant to the California Air Resources Board vehicle standards and required to be delivered by a manufacturer for sale or lease for the applicable model year, and any additional percentages or numbers of advanced technology partial zero emission vehicles or partial zero emission vehicles that may be delivered by a manufacturer for sale or lease to satisfy the zero emission vehicle requirement established by the California Air Resources Board in lieu of vehicles that meet the pure zero emission vehicle standard.
(cf: P.L.2003, c.266, s.2)

22. Section 3 of P.L.2003, c.266 (C.26:2C-8.17) is amended to read as follows:

3. a. Notwithstanding any provision of a State implementation plan submitted by the Department of Environmental Protection to the United States Environmental Protection Agency pursuant to the requirements of the federal "Clean Air Act Amendments of 1990," 42 U.S.C. s.7403 et seq., to the contrary, the department shall implement the California Low Emission Vehicle program and the California zero emission vehicle requirements in the State beginning on January 1, 2009 **[**, except as provided pursuant to sections 6 and 7 of P.L.2003, c.266 (C.26:2C-8.20 and C.26:2C-8.21)**]**.

b. The Commissioner of Environmental Protection, within 30 days after a proposed major substantive change to the California Low Emission Vehicle program or the California zero emission vehicle requirements that, if adopted, would necessitate a corresponding substantive change to the program in New Jersey

adopted pursuant to subsection a. of this section or rules and regulations adopted pursuant thereto, shall provide written notice and a summary of the proposed substantive change to the Senate Environment and Energy Committee and the Assembly Environment and Solid Waste Committee, or their successors as designated respectively by the President of the Senate and the Speaker of the General Assembly.

c. The commissioner shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), any rules and regulations necessary to implement the California Low Emission Vehicle program and the California zero emission vehicle requirements in the State beginning on January 1, 2009.

(cf: P.L.2003, c.266, s.3)

23. Section 4 of P.L.2003, c.266 (C.26:2C-8.18) is amended to read as follows:

4. a. [The] Except as provided in subsection e. of this section, the Commissioner of Environmental Protection shall establish a zero emission vehicle credit bank to allow manufacturers to earn and bank vehicle equivalent credits for any advanced technology partial zero emission vehicle or partial zero emission vehicle produced and delivered for sale or lease in the State [on or after January 1, 1999 and through December 31, 2008].

(1) In establishing the credit bank required by this section, the commissioner shall use the highest multiplier used by the California Air Resources Board for determining the allowable vehicle equivalent credits for each advanced technology partial zero emission vehicle or partial zero emission vehicle delivered for sale or lease in the State by a manufacturer on or after January 1, 1999 until the effective date of P.L.2003, c.266 (C.26:2C-8.15 et al.).

(2) Beginning on the effective date of P.L.2003, c.266 (C.26:2C-8.15 et al.), the commissioner shall use the multiplier used by the California Air Resources Board for the applicable model year for each advanced technology partial zero emission vehicle or partial zero emission vehicle delivered for sale or lease in the State by a manufacturer on or after the effective date of P.L.2003, c.266 (C.26:2C-8.15 et al.) [and through December 31, 2008].

b. (1) Within 180 days after the effective date of P.L.2003, c.266 (C.26:2C-8.15 et al.), the commissioner shall publish a list in the New Jersey Register of the make and model of those motor vehicles that qualify as advanced technology partial zero emission vehicles or partial zero emission vehicles for the 1999 through 2003 model years.

(2) Annually thereafter, the commissioner shall publish a list in the New Jersey Register of the make and model of those motor

vehicles that qualify as advanced technology partial zero emission vehicles or partial zero emission vehicles for that respective model year.

(3) The commissioner may revise any list published pursuant to this subsection as necessary to comply with the California Air Resources Board vehicle standards for the applicable model year.

c. Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the commissioner shall, immediately upon filing the proper notice with the Office of Administrative Law, adopt such temporary rules and regulations as necessary to establish a zero emission vehicle credit bank pursuant to subsection a. of this section. These rules and regulations may include, but need not be limited to, the documentation to be submitted by a manufacturer to determine eligibility and participation in the credit bank established pursuant to subsection a. of this section, and fees for administrative services provided to implement the zero emission vehicle credit bank to be assessed to those manufacturers seeking to earn and bank credits. The temporary rules and regulations shall be in effect for a period not to exceed 270 days after the date of the filing, except that in no case shall the temporary rules and regulations be in effect one year after the effective date of P.L.2003, c.266 (C.26:2C-8.15 et al.). The temporary rules and regulations shall thereafter be amended, adopted or readopted by the commissioner as the commissioner determines is necessary in accordance with the requirements of the "Administrative Procedure Act."

d. **[**The provisions of this section shall expire upon the passage of a concurrent resolution by the Legislature directing the department to implement the National Low Emission Vehicle program pursuant to subsection a. of section 6 of P.L.2003, c.266 (C.26:2C-8.20).**]** (Deleted by amendment, P.L. , c.) (pending before the Legislature as this bill)

e. The Commissioner of Environmental Protection shall petition the California Air Resources Board and the Governor of the State of California to revise the California rules and regulations adopted to implement the California Low Emission Vehicle program and the California zero emission vehicle requirements to provide that the vehicles "sold or leased" in the State meet program requirements rather than vehicles "produced and delivered for sale or lease" in the State. Upon the revision by the California Air Resources Board, any reference to vehicles produced and delivered for sale or lease in the State pursuant to State laws, rules, or regulations shall be construed to mean vehicles sold or leased in the State until the appropriate revisions to State laws, rules, or regulations may be enacted or adopted.

(cf: P.L.2003, c.266, s.4)

24. Section 7 of P.L.2007, c.340 (C.26:2C-51) is amended to read as follows:

7. a. The agencies administering programs established pursuant to this section shall maximize coordination in the administration of the programs to avoid overlap between the uses of the fund prescribed in this section.

b. Moneys in the fund, after appropriation annually for payment of administrative costs authorized pursuant to subsection c. of this section, shall be annually appropriated and used for the following purposes:

(1) Sixty percent shall be allocated to the New Jersey Economic Development Authority to provide grants and other forms of financial assistance to commercial, institutional, and industrial entities to support end-use energy efficiency projects and new, efficient electric generation facilities that are state of the art, as determined by the department, including but not limited to energy efficiency and renewable energy applications, to develop combined heat and power production and other high efficiency electric generation facilities, to stimulate or reward investment in the development of innovative carbon emissions abatement technologies with significant carbon emissions reduction or avoidance potential, to develop qualified offshore wind projects pursuant to section 3 of P.L.2010, c.57 (C.48:3-87.1), and to provide financial assistance to manufacturers of equipment associated with qualified offshore wind projects. The authority, in consultation with the board and the department, shall determine: (a) the appropriate level of grants or other forms of financial assistance to be awarded to individual commercial, institutional, and industrial sectors and to individual projects within each of these sectors; (b) the evaluation criteria for selecting projects to be awarded grants or other forms of financial assistance, which criteria shall include the ability of the project to result in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand, provided, however, that neither the development of a new combined heat and power production facility, nor an increase in the electrical and thermal output of an existing combined heat and power production facility, shall be subject to the requirement to demonstrate such a measurable reduction; and (c) the process by which grants or other forms of financial assistance can be applied for and awarded including, if applicable, the payment terms and conditions for authority investments in certain projects with commercial viability;

(2) Twenty percent shall be allocated to the board to support programs that are designed to reduce electricity demand or costs to electricity customers in the low-income and moderate-income residential sector with a focus on urban areas, including efforts to address heat island effect and reduce impacts on ratepayers attributable to the implementation of P.L.2007, c.340 (C.26:2C-45

et al.). For the purposes of this paragraph, the board, in consultation with the authority and the department, shall determine the types of programs to be supported and the mechanism by which to quantify benefits to ensure that the supported programs result in a measurable reduction in energy demand;

(3) Ten percent shall be allocated to the department to support programs designed to promote local government efforts to plan, develop and implement measures to reduce greenhouse gas emissions, including but not limited to technical assistance to local governments, and the awarding of grants and other forms of assistance to local governments to conduct and implement energy efficiency, renewable energy, and distributed energy programs and land use planning where the grant or assistance results in a measurable reduction of the emission of greenhouse gases or a measurable reduction in energy demand. For the purpose of conducting any program pursuant to this paragraph, the department, in consultation with the authority and the board, shall determine: (a) the appropriate level of grants or other forms of financial assistance to be awarded to local governments; (b) the evaluation criteria for selecting projects to be awarded grants or other forms of financial assistance; (c) the process by which grants or other forms of financial assistance can be applied for and awarded; and (d) a mechanism by which to quantify benefits; and

(4) Ten percent shall be allocated to the department to support programs that enhance the stewardship and restoration of the State's forests and tidal marshes that provide important opportunities to sequester or reduce greenhouse gases.

c. (1) The department may use up to four percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the department in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases including any obligations that may arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-55).

(2) The board may use up to two percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the board in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in administering programs to reduce the emissions of greenhouse gases including any obligations that may arise under subsection a. of section 11 of P.L.2007, c.340 (C.26:2C-55).

(3) The New Jersey Economic Development Authority may use up to two percent of the total amount in the fund each year to pay for administrative costs justifiable and approved in the annual budget process, incurred by the authority in administering the provisions of P.L.2007, c.340 (C.26:2C-45 et al.) and in

administering programs to reduce the emissions of greenhouse gases.

d. The State Comptroller shall conduct or supervise independent audit and fiscal oversight functions of the fund and its uses.

e. Notwithstanding the provisions of this section to the contrary, the first $20,000,000 of funds received by the State each year from participation in the Regional Greenhouse Gas Initiative shall be deposited into the Plug-in Elective Vehicle Rebate Fund, established pursuant to section 16 of P.L. , c. (C.) (pending before the Legislature as this bill) for the provision of rebates by the board pursuant to that act. Any remaining funds shall be appropriated and used pursuant to subsections b. and c. of this section.

(cf: P.L.2010, c.57, s.5)

25. Section 8 of P.L.2007, c.340 (C.26:2C-52) is amended to read as follows:

8. a. Within one year after the date of enactment of P.L.2007, c.340 (C.26:2C-45 et al.), the department, in consultation with the New Jersey Economic Development Authority and the board, shall adopt, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), guidelines and a priority ranking system to be used to assist in annually allocating funds to eligible projects or programs pursuant to subsection b. of section 7 of P.L.2007, c.340 (C.26:2C-51).

b. The guidelines and the priority ranking system developed pursuant to this section for selecting projects or programs to be awarded grants or other forms of financial assistance from the fund shall include but need not be limited to an evaluation of each eligible project or program as to its predicted ability to:

(1) result in a net reduction in greenhouse gas emissions in the State or in greenhouse gas emissions from electricity produced out of the State but consumed in the State or net sequestration of carbon;

(2) result in significant reductions in greenhouse gases relative to the cost of the project or program and the reduction of impacts on ratepayers attributable to the implementation of P.L.2007, c.340 (C.26:2C-45 et al.), and the ability of the project or program to significantly contribute to achievement of the State's 2020 limit and 2050 limit established pursuant to the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et al.), relative to the cost of the project or program;

(3) reduce energy use;

(4) provide co-benefits to the State, including but not limited to creating job opportunities, reducing other air pollutants, reducing costs to electricity and natural gas consumers, improving local

electric system reliability, and contributing to regional initiatives to reduce greenhouse gas emissions; and

(5) be directly responsive to the recommendations when submitted by the department to the Legislature pursuant to section 6 of the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-42).

c. Notwithstanding the provisions of subsections a. and b. of this section to the contrary, the department shall give high priority to grants for the electric vehicle rebate disbursements for the "Light Duty Plug-in Electric Vehicle Rebate Program," established pursuant to section 14 of P.L. , c. (C.) (pending before the Legislature as this bill).

(cf: P.L.2007, c.340, s.8)

26. Section 12 of P.L.1999, c.23 (C.48:3-60) is amended to read as follows:

12. a. Simultaneously with the starting date for the implementation of retail choice as determined by the board pursuant to subsection a. of section 5 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.), the board shall permit each electric public utility and gas public utility to recover some or all of the following costs through a societal benefits charge that shall be collected as a non-bypassable charge imposed on all electric public utility customers and gas public utility customers, as appropriate:

(1) The costs for the social programs for which rate recovery was approved by the board prior to April 30, 1997. For the purpose of establishing initial unbundled rates pursuant to section 4 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.), the societal benefits charge shall be set to recover the same level of social program costs as is being collected in the bundled rates of the electric public utility on the effective date of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.). The board may subsequently order, pursuant to its rules and regulations, an increase or decrease in the societal benefits charge to reflect changes in the costs to the utility of administering existing social programs. Nothing in **[**his act**]** P.L.1999, c.23 (C.48:3-53 et seq.) shall be construed to abolish or change any social program required by statute or board order or rule or regulation to be provided by an electric public utility. Any such social program shall continue to be provided by the utility until otherwise provided by law, unless the board determines that it is no longer appropriate for the electric public utility to provide the program, or the board chooses to modify the program;

(2) Nuclear plant decommissioning costs;

(3) The costs of demand side management programs that were approved by the board pursuant to its demand side management regulations prior to April 30, 1997. For the purpose of establishing initial unbundled rates pursuant to section 4 of **[**this act**]** P.L.1999,

c.23 (C.48:3-53 et seq.), the societal benefits charge shall be set to recover the same level of demand side management program costs as is being collected in the bundled rates of the electric public utility on the effective date of [this act] P.L.1999, c.23 (C.48:3-53 et seq.). Within four months of the effective date of [this act] P.L.1999, c.23 (C.48:3-53 et seq.), and every four years thereafter, the board shall initiate a proceeding and cause to be undertaken a comprehensive resource analysis of energy programs, and within eight months of initiating such proceeding and after notice, provision of the opportunity for public comment, and public hearing, the board, in consultation with the Department of Environmental Protection, shall determine the appropriate level of funding for energy efficiency and Class I renewable energy programs that provide environmental benefits above and beyond those provided by standard offer or similar programs in effect as of the effective date of [this act] P.L.1999, c.23 (C.48:3-53 et seq.); provided that the funding for such programs be no less than 50 [%] percent of the total Statewide amount being collected in [public] electric and gas public utility rates for demand side management programs on the effective date of [this act] P.L.1999, c.23 (C.48:3-53 et seq.) for an initial period of four years from the issuance of the first comprehensive resource analysis following the effective date of [this act] P.L.1999, c.23 (C.48:3-53 et seq.), and provided that 25 [%] percent of this amount shall be used to provide funding for Class I renewable energy projects in the State. In each of the following fifth through eighth years, the Statewide funding for such programs shall be no less than 50 percent of the total Statewide amount being collected in [public] electric and gas public utility rates for demand side management programs on the effective date of [this act] P.L.1999, c.23 (C.48:3-53 et seq.), except that as additional funds are made available as a result of the expiration of past standard offer or similar commitments, the minimum amount of funding for such programs shall increase by an additional amount equal to 50 percent of the additional funds made available, until the minimum amount of funding dedicated to such programs reaches $140,000,000 total. After the eighth year the board shall make a determination as to the appropriate level of funding for these programs. Such programs shall include a program to provide financial incentives for the installation of Class I renewable energy projects in the State, and the board, in consultation with the Department of Environmental Protection, shall determine the level and total amount of such incentives as well as the renewable technologies eligible for such incentives which shall include, at a minimum, photovoltaic, wind, and fuel cells. The board shall simultaneously determine, as a result of the comprehensive resource analysis, the programs to be funded by the societal benefits charge, the level of cost recovery and performance incentives for old and

new programs and whether the recovery of demand side management programs' costs currently approved by the board may be reduced or extended over a longer period of time. The board shall make these determinations taking into consideration existing market barriers and environmental benefits, with the objective of transforming markets, capturing lost opportunities, making energy services more affordable for low income customers and eliminating subsidies for programs that can be delivered in the marketplace without electric public utility and gas public utility customer funding;

(4) Manufactured gas plant remediation costs, which shall be determined initially in a manner consistent with mechanisms in the remediation adjustment clauses for the electric public utility and gas public utility adopted by the board; **[**and**]**

(5) The cost, of consumer education, as determined by the board, which shall be in an amount that, together with the consumer education surcharge imposed on electric power supplier license fees pursuant to subsection h. of section 29 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.) and the consumer education surcharge imposed on gas supplier license fees pursuant to subsection g. of section 30 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.), shall be sufficient to fund the consumer education program established pursuant to section 36 of **[**this act**]** P.L.1999, c.23 (C.48:3-53 et seq.); and

(6) The costs of electric vehicle rebates disbursed for the “Light Duty Plug-in Electric Vehicle Rebate Program,” established pursuant to section 14 of P.L. , c. (C.) (pending before the Legislature as this bill). The board may order, pursuant to its rules and regulations, an increase in the societal benefits charge to reflect these costs.

b. There is established in the Board of Public Utilities a nonlapsing fund to be known as the "Universal Service Fund." The board shall determine: the level of funding and the appropriate administration of the fund; the purposes and programs to be funded with monies from the fund; which social programs shall be provided by an electric public utility as part of the provision of its regulated services which provide a public benefit; whether the funds appropriated to fund the "Lifeline Credit Program" established pursuant to P.L.1979, c.197 (C.48:2-29.15 et seq.), the "Tenants' Lifeline Assistance Program" established pursuant to P.L.1981, c.210 (C.48:2-29.31 et seq.), the funds received pursuant to the Low Income Home Energy Assistance Program established pursuant to 42 U.S.C. s.8621 et seq., and funds collected by electric and natural gas utilities, as authorized by the board, to offset uncollectible electricity and natural gas bills should be deposited in the fund; and whether new charges should be imposed to fund new or expanded social programs.

(cf: P.L.1999, c.23, s.12)

27. This act shall take effect immediately.

STATEMENT

This bill would establish goals, initiatives, and programs to encourage and support the use of plug-in electric vehicles in the State.

Specifically, section 3 of the bill would establish State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure to support that use. Under the bill, no later than December 31, 2020, and every five years thereafter, the Department of Environmental Protection (DEP) would be required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress toward achieving the goals outlined in the bill; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address those barriers.

Section 4 of the bill would establish the Electric Vehicle Working Group, to be composed of 19 members, including the Commissioner of Environmental Protection, the President of the Board of Public Utilities, the Commissioner of Transportation, the Executive Director of the New Jersey Transit Corporation, the Executive Director of the New Jersey Turnpike Authority, the Executive Director of the South Jersey Transportation Authority, the Commissioner of Community Affairs, the Executive Director of the Port Authority of New York and New Jersey, the Chief Executive Officer of the New Jersey Economic Development Authority, and the Director of the Division of Rate Counsel in, but not of, the Department of Treasury, or their respective designees, and various other stakeholders and subject matter experts.

The working group would be required to develop, and annually update, a Statewide Vehicle Charging Infrastructure Plan, and monitor implementation of that plan and its effectiveness in advancing the goals established in the bill. Subsection h. of section 4 of the bill outlines the information to be incorporated into the State Vehicle Charging Infrastructure Plan. The working group would coordinate the development of the plan with the development and revision of the Statewide Energy Master Plan. The working group would also develop a public education program, to be implemented by the DEP, to inform the public about plug-in electric vehicles and the availability of vehicle charging infrastructure. The working group would issue a final report on the Statewide Vehicle Charging Infrastructure Plan during the calendar year 2035 and dissolve 30 days after the report is issued.

Under the bill, the Board of Public Utilities ("the board"), in cooperation with electric public utilities and various government agencies, would be required to develop the essential public charging network. The network would: (1) provide sufficient public charging infrastructure to support a significant expansion in the use of plug-in electric vehicles in the State and consumer confidence in using these vehicles; (2) integrate with the electric distribution system and the electric transmission system; and (3) provide a level of public charging infrastructure sufficient to minimize consumer range anxiety. Each electric public utility in the State would be required to implement the essential public charging network in accordance with the requirements of subsections b. and c. of section 9 of the bill.

Within one year after the effective date of the bill, each electric public utility in the State would be required to submit to the board a proposed plan for the construction and long-term operation of the essential public charging network within its service territory in accordance with the requirements of section 10 of the bill. No later than 180 days after receipt of a proposed plan, the board would be required to review and issue a determination approving, rejecting, or approving with modifications a utility's plan. The board order approving, or approving with modifications, a utility's proposed plan would provide for and approve full and timely recovery, through a separate utility rate clause, all reasonable costs, which may be included in the utility's rate base as either a capital or regulatory asset. Utilities would be permitted to use funding sources other than recovering costs through customer rates whenever feasible. The bill authorizes utilities to propose programs, incentives, tariffs, and initiatives to support the development of vehicle charging infrastructure.

Under the bill, the New Jersey Turnpike Authority, the South Jersey Transportation Authority, and the Department of Transportation would be required to establish publicly-accessible electric vehicle charging parking spaces for the exclusive use of plug-in electric vehicles at their respective service areas. These agencies would be directed to charge a fee to plug-in electric vehicle drivers using the charging equipment in a reasonable amount to recover costs associated with installation and operation of the charging equipment for public use, either directly or through contracted third-parties.

No later than 90 days after the effective date of the bill, the board, in cooperation with the State Treasurer and the DEP, would be required to establish and implement the "Light Duty Plug-in Electric Vehicle Rebate Program" for the purpose of encouraging the purchase of light duty plug-in electric vehicles. The board would implement the rebate program until June 30 of the 10th year after the rebate program begins, or after $300 million in rebate disbursements have been paid from the fund, whichever occurs first.

The board would establish the rebate as a one-time payment to the purchaser of a new light duty plug-in electric vehicle in an amount set and calculated by the department as equal to at least $25 per mile of the eligible vehicle's electric power range as certified by the U.S. Environmental Protection Agency and determined by the DEP, up to a maximum of $5,000 per eligible vehicle. The board may adjust the rebate amount as necessary to achieve the goals outlined in the bill, but not more than once per aggregate disbursement of $100 million in rebates. The board, in consultation with the working group, would develop and implement a Statewide public education program to publicize the availability of the rebates under the bill.

An "eligible" vehicle is defined in the bill as a new light duty plug-in electric vehicle with a manufacturer's suggested retail price of $55,000 or less, purchased after the effective date of the bill.

"Plug-in electric vehicle" means a vehicle that has a battery or equivalent energy storage device that can be charged from an electricity supply external to the vehicle with an electric plug, and includes a plug-in hybrid vehicle. However, notwithstanding other provisions of the bill, a light duty plug-in hybrid vehicle would not qualify for a rebate after December 31, 2022.

Under the bill, a vehicle dealership may, in its discretion, provide a purchaser the option to have the amount of the electric vehicle rebate deducted from the final price of an eligible vehicle. The dealer would then apply to the State Treasurer to receive the rebate. A purchaser who does not receive the rebate at the time of purchase may apply directly to the State Treasurer for the rebate. The board would be required to keep track of, and provide to the public, up-to-date information about rebate availability. Sections 17 through 19 establish the process by which an eligible recipient must apply to the Department of Treasury to receive the rebate, and the process by which the Department of Treasury must approve or deny an application. Section 16 of the bill would establish the "Plug-in Electric Vehicle Rebate Fund" to be used by the Department of Treasury solely to make rebate disbursements to eligible recipients. The board would be authorized to deposit into the fund moneys received from the societal benefits charge established pursuant to section 11 of P.L.1999, c.23 (C.48:3-60), moneys made available to the board pursuant to the implementation of the Regional Greenhouse Gas Initiative (RGGI) and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources as determined by the board.

The bill amends existing law to address implementation issues under the State's adoption of the California Low Emission Vehicle Program and its zero emissions vehicle requirements. The bill would require the Commissioner of Environmental Protection to petition the California Air Resources Board and the Governor of California to revise the State's rules and regulations to provide that

the vehicles "sold or leased" in the State meet program requirements rather than vehicles "produced and delivered for sale or lease." Upon revision by the California Air Resources Board, the term "produced and delivered for sale" in existing State law would be construed to mean "sold or leased," until State law is revised.

The bill provides that the first $20 million of funds received by the State each year from participation in RGGI would be deposited into the "Plug-in Electric Vehicle Rebate Fund" established in the bill. Finally, the bill would also permit the costs of electric vehicle rebates disbursed under the bill to be recovered through the societal benefits charge, and it would authorize the board, pursuant to its rules and regulations, to order an increase in the societal benefits charge to reflect these costs.

ASSEMBLY ENVIRONMENT AND SOLID WASTE COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 4819

STATE OF NEW JERSEY

DATED: JANUARY 6, 2020

The Assembly Environment and Solid Waste Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 4819.

This bill would establish goals and incentives for the increased use of plug-in electric vehicles in New Jersey.

Specifically, section 3 of the bill would establish State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure to support that use. The Board of Public Utilities (BPU) and the Department of Environmental Protection (DEP) would be authorized to adopt policies and programs to accomplish the goals established in the bill. No later than December 31, 2020, and every five years thereafter, the DEP would be required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the current state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress towards achieving the goals established the bill; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address barriers to the achievement of the goals.

The bill would require the BPU to establish and implement a light duty plug-in electric vehicle incentive program for the purpose of encouraging the purchase or lease of new light duty plug-in electric vehicles in the State. The BPU would implement this incentive program until June 30th of the 10th year after establishment of the program, and provide at least $30 million in disbursements under the program each year. Any incentive offered under this program would take the form of a one-time payment to the purchaser or lessee of an eligible vehicle. An "eligible vehicle" is any new light duty plug-in electric vehicle with an MSRP of below $55,000 purchased or leased after the effective date of the bill and registered in New Jersey. For the first year an incentive is offered, the amount of the incentive would be equal to $25 per mile of EPA-rated electric-only range, up to a maximum of $5,000 per eligible vehicle. For each subsequent year, the BPU would be authorized to change the amount of the incentive and the manner in which an incentive is calculated, provided that no

incentive would exceed $5,000 per eligible vehicle. The BPU would be authorized to develop additional incentives consistent with the goals of the bill. A light duty plug-in hybrid vehicle would qualify for an incentive under the program until December 31, 2022.

Under the bill, the seller or lessor of an eligible vehicle would be required to offer the light duty plug-in electric vehicle incentive in conjunction with, and in addition to, any other incentives offered by the seller or lessor of an eligible vehicle. The seller or lessor of an eligible vehicle would be required to provide the purchaser or lessee the option to have the amount of the light duty plug-in electric vehicle incentive deducted from the final negotiated and agreed upon sale or lease price of the eligible vehicle. The full amount of the incentive would then be passed through to the purchaser or lessee in full and payment thereof would be effective immediately at the time of the final sale or lease and transfer of the eligible vehicle to the purchaser or lessee. The BPU would be required to establish a process for reimbursing a seller or lessor of an eligible vehicle the cost of an incentive provided by the seller or lessor under the bill.

In addition to the light duty plug-in electric vehicle incentive program established in the bill, the BPU would be authorized to establish and implement an incentive program for the purchase and installation of in-home electric vehicle service equipment. This incentive program may only be implemented until June 30th of the 10th year after establishment of the program. The incentives would take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment. The amount of the incentive would be determined by the BPU, but would not exceed $500 per person. Any incentive a person receives for in-home electric vehicle service equipment under the program would be in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle. The BPU would determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section.

The bill would establish a special, nonlapsing fund in the BPU to be known as the Plug-in Electric Vehicle Incentive Fund. The bill would require the BPU to deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the BPU pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the BPU, to make disbursements under the light duty plug-in electric vehicle incentive program. The BPU would be permitted to deposit into the fund, each year, such additional amounts from the societal benefits charge, as the BPU deems necessary, to make disbursements under an incentive program for in-home electric vehicle service equipment. Moneys in the fund would be used by the BPU solely for

the purpose of disbursing incentives under the bill. The BPU would be permitted to recover any administrative costs incurred in connection with the bill separately from moneys received from the societal benefits charge.

The bill would require the BPU to develop a website, accessible by the public, that provides up-to-date information about the availability of incentives established under the bill. The bill would also require the DEP to develop and implement a public education program to educate consumers about the availability and benefits of plug-in electric vehicles, the State goals for plug-in electric vehicle deployment, and the availability of incentives established under the bill.

The bill would provide that, unless otherwise provided for in law, an entity owning, controlling, operating, or managing electric vehicle service equipment would not be deemed an electric public utility solely because of such ownership, control, operation, or management. The charging of a plug-in electric vehicle would be deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider under the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-49 et al.).

Finally, the bill would amend section 7 of P.L.2007, c.340 (C.26:2C-51) (concerning the use of moneys in the "Global Warming Solutions Fund") and section 12 of P.L.1999, c.23 (C.48:3-60) (concerning the use of moneys received from the societal benefits charge) to reflect that moneys from those sources may be used for the purposes of promoting and incentivizing plug-in electric vehicles and related charging equipment.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 4819

STATE OF NEW JERSEY

DATED: JANUARY 6, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4819 ACS.

This bill would establish goals and incentives for the increased use of plug-in electric vehicles in New Jersey.

Specifically, section 3 of the bill would establish State goals for the use of plug-in electric vehicles and the development of plug-in electric vehicle charging infrastructure to support that use. The Board of Public Utilities (BPU) and the Department of Environmental Protection (DEP) would be authorized to adopt policies and programs to accomplish the goals established in the bill. No later than December 31, 2020, and every five years thereafter, the DEP would be required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the current state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress towards achieving the goals established the bill; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address barriers to the achievement of the goals.

The bill would require the BPU to establish and implement a light duty plug-in electric vehicle incentive program for the purpose of encouraging the purchase or lease of new light duty plug-in electric vehicles in the State. The BPU would implement this incentive program until June 30th of the 10th year after establishment of the program, and provide at least $30 million in disbursements under the program each year. Any incentive offered under this program would take the form of a one-time payment to the purchaser or lessee of an eligible vehicle. An "eligible vehicle" is any new light duty plug-in electric vehicle with an MSRP of below $55,000 purchased or leased after the effective date of the bill and registered in New Jersey. For the first year an incentive is offered, the amount of the incentive would be equal to $25 per mile of EPA-rated electric-only range, up to a maximum of $5,000 per eligible vehicle. For each subsequent year, the BPU would be authorized to change the amount of the incentive and the manner in which an incentive is calculated, provided that no incentive would exceed $5,000 per eligible vehicle. The BPU would be authorized to develop additional incentives consistent with the

goals of the bill. A light duty plug-in hybrid vehicle would qualify for an incentive under the program until December 31, 2022.

Under the bill, the seller or lessor of an eligible vehicle would be required to offer the light duty plug-in electric vehicle incentive in conjunction with, and in addition to, any other incentives offered by the seller or lessor of an eligible vehicle. The seller or lessor of an eligible vehicle would be required to provide the purchaser or lessee the option to have the amount of the light duty plug-in electric vehicle incentive deducted from the final negotiated and agreed upon sale or lease price of the eligible vehicle. The full amount of the incentive would then be passed through to the purchaser or lessee in full and payment thereof would be effective immediately at the time of the final sale or lease and transfer of the eligible vehicle to the purchaser or lessee. The BPU would be required to establish a process for reimbursing a seller or lessor of an eligible vehicle the cost of an incentive provided by the seller or lessor under the bill.

In addition to the light duty plug-in electric vehicle incentive program established in the bill, the BPU would be authorized to establish and implement an incentive program for the purchase and installation of in-home electric vehicle service equipment. This incentive program may only be implemented until June 30th of the 10th year after establishment of the program. The incentives would take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment. The amount of the incentive would be determined by the BPU, but would not exceed $500 per person. Any incentive a person receives for in-home electric vehicle service equipment under the program would be in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle. The BPU would determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section.

The bill would establish a special, nonlapsing fund in the BPU to be known as the Plug-in Electric Vehicle Incentive Fund. The bill would require the BPU to deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the BPU pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the BPU, to make disbursements under the light duty plug-in electric vehicle incentive program. The BPU would be permitted to deposit into the fund, each year, such additional amounts from the societal benefits charge, as the BPU deems necessary, to make disbursements under an incentive program for in-home electric vehicle service equipment. Moneys in the fund would be used by the BPU solely for the purpose of disbursing incentives under the bill. The BPU would be permitted to recover any administrative costs incurred in connection

with the bill separately from moneys received from the societal benefits charge.

The bill would require the BPU to develop a website, accessible by the public, that provides up-to-date information about the availability of incentives established under the bill. The bill would also require the DEP to develop and implement a public education program to educate consumers about the availability and benefits of plug-in electric vehicles, the State goals for plug-in electric vehicle deployment, and the availability of incentives established under the bill.

The bill would provide that, unless otherwise provided for in law, an entity owning, controlling, operating, or managing electric vehicle service equipment would not be deemed an electric public utility solely because of such ownership, control, operation, or management. The charging of a plug-in electric vehicle would be deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider under the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-49 et al.).

Finally, the bill would amend section 7 of P.L.2007, c.340 (C.26:2C-51) (concerning the use of moneys in the "Global Warming Solutions Fund") and section 12 of P.L.1999, c.23 (C.48:3-60) (concerning the use of moneys received from the societal benefits charge) to reflect that moneys from those sources may be used for the purposes of promoting and incentivizing plug-in electric vehicles and related charging equipment.

FISCAL IMPACT:

The bill could result in an increase in State revenues and State expenditures, each of an indeterminate magnitude, mostly concentrated in the 10-year period after the bill's enactment. The bill's fiscal impact will mostly be determined by the decisions of the Board of Public Utilities (BPU) as to the allocation of societal benefits charge revenue to the purposes of the bill, and whether those decisions will increase or reallocate current levels of revenue and expenditures, respectively, from that source. For example, to meet the bill's mandate that at least $30 million in societal benefits charge revenue be deposited annually in the Plug-in Electric Vehicle Incentive Fund, the BPU could either increase or reallocate revenue from that source, and could reduce spending on current programs in so doing. Other impacts of the bill will be to increase by an indeterminate amount BPU administrative costs to implement the bill's requirements, and to increase by an indeterminate amount the Department of Environmental Protection's expenditures in order to undertake a public consumer education program about the plug-in electric vehicles and the State's efforts to incentive their deployment.

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 4819

STATE OF NEW JERSEY
218th LEGISLATURE

DATED: JANUARY 16, 2020

SUMMARY

Synopsis: Establishes goals and incentives for increased use of plug-in electric vehicles in NJ.

Type of Impact: Increased expenditures by State and local government entities; State revenue increase.

Agencies Affected: All State and local government entities; Board of Public Utilities; Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	10 Year Impact
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) finds that the bill could increase State expenditure and revenues by indeterminate amounts. This conclusion is rooted in a lack of information concerning future decisions of the Board of Public Utilities (BPU) concerning the electric vehicle incentive program and the in-home electric vehicle charging equipment incentive program, and whether deposits into the Plug-in Electric Vehicle Incentive Fund (fund) from the Societal Benefits Charge (SBC) to support those programs will result in higher SBC revenues and expenditures as opposed to reallocation of current revenues from existing programs.

- The bill will also result in additional administrative costs for the BPU to establish and run these two incentive programs, and for the Department of Environmental Protection's (DEP) public education effort to promote these programs and the electric vehicle infrastructure goals. The BPU is permitted to recover its administrative costs separately from the SBC, so revenues from that source may increase in amounts up to those additional costs.

- If the BPU increases the SBC to fund these incentives, the bill will result in a possible indeterminate increase in State and local expenditures from higher retail energy prices. The amount of the price increase attributable to the bill is contingent, in part, on the decision made

by the BPU, which the OLS cannot anticipate. An increase in energy prices will yield indeterminate additional State revenues, given that the increase paid by all ratepayers will be subject to the State sales and use tax.

BILL DESCRIPTION

This bill establishes goals and incentives for the increased use of plug-in electric vehicles in New Jersey and the development of plug-in electric vehicle charging infrastructure to support that use. The BPU and the DEP are authorized to adopt policies and programs to accomplish the goals established in the bill. No later than December 31, 2020, and every five years thereafter, the DEP is required to prepare and submit to the Governor and the Legislature a report that: (1) assesses the current state of the plug-in electric vehicle market in New Jersey; (2) measures the State's progress towards achieving the goals established the bill; (3) identifies barriers to the achievement of the goals; and (4) makes recommendations for legislative or regulatory action to address barriers to the achievement of the goals.

The bill requires the BPU to establish and implement a light duty plug-in electric vehicle incentive program. The BPU is to implement this incentive program until June 30th of the 10th year after establishment of the incentive program, and provide no less than $30 million for the program each year. The incentive offered under this program is a one-time maximum $5,000 payment to the purchaser or lessee of an eligible vehicle. For the first year an incentive is offered, the amount of the incentive is equal to $25 per mile of EPA-rated electric-only range up to the $5,000 maximum. For each subsequent year, the BPU may change the amount of the incentive and the manner in which an incentive is calculated. The BPU is authorized to develop additional incentives consistent with the goals and provisions of the bill. A light duty plug-in hybrid vehicle does not qualify for an incentive under the program after December 31, 2022.

In addition to the light duty plug-in electric vehicle incentive program, the BPU is authorized to establish and implement an incentive program for the purchase and installation of in-home electric vehicle charging equipment. This incentive program may only be implemented until June 30th of the 10th year after establishment of the program. The incentives are to take the form of a one-time payment to the person purchasing the in-home electric vehicle service equipment. The amount of the incentive will be determined by the BPU, but shall not exceed $500 per person. Any incentive a person receives for in-home electric vehicle charging equipment under the program is in addition to any incentive the person receives for the purchase or lease of a new light duty plug-in electric vehicle. The BPU will determine the form and manner of the application for, and the disbursement of, incentives pursuant to this section. The bill also authorizes the BPU to develop additional incentives for electric vehicle service equipment other than in-home charging equipment.

The bill establishes a special, nonlapsing fund in the BPU to be known as the Plug-in Electric Vehicle Incentive Fund. The bill requires the BPU to deposit into the fund, each year, $30 million of moneys received from the societal benefits charge established pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), moneys made available to the BPU pursuant to the implementation of the Regional Greenhouse Gas Initiative and P.L.2007, c.340 (C.26:2C-45 et seq.), and moneys available from other funding sources, as determined by the BPU, to make disbursements under the light duty plug-in electric vehicle incentive program. The BPU is permitted to deposit into the fund such additional amounts from the societal benefits charge as the BPU deems necessary to make disbursement under the incentive program for in-home electric vehicle charging equipment. Moneys in the fund are to be used by the BPU solely for the purpose of disbursing incentives under the bill. The BPU also authorized SBC revenues to fund other plug-in electrical vehicle charging

infrastructure. The BPU is also permitted to recover any administrative costs incurred in connection with the bill separately from moneys received from the societal benefits charge.

The bill requires the BPU to develop a website, accessible by the public, which provides up-to-date information about the availability of incentives established under the bill. The bill also requires the DEP to develop and implement a public education program to educate consumers about the availability and benefits of plug-in electric vehicles, the State goals for plug-in electric vehicle deployment, and the availability of incentives established under the bill.

The bill provides that, unless otherwise provided for in law, an entity owning, controlling, operating, or managing electric vehicle service equipment not be deemed an electric public utility solely because of such ownership, control, operation, or management. The charging of a plug-in electric vehicle is deemed a service and not a sale of electricity by an electric power supplier or basic generation service provider under the "Electric Discount and Energy Competition Act," P.L.1999, c.23 (C.48:3-49 et al.).

Finally, the bill amends section 7 of P.L.2007, c.340 (C.26:2C-51) (concerning the use of moneys in the "Global Warming Solutions Fund") and section 12 of P.L.1999, c.23 (C.48:3-60) (concerning the use of moneys received from the societal benefits charge) to reflect that moneys from those sources may be used for the purposes of promoting and incentivizing plug-in electric vehicles and related charging equipment.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill could increase in State expenditures and revenues by indeterminate amounts. This conclusion is rooted in a lack of information concerning future BPU decisions about the size of the electric vehicle incentive program, the in-home electric vehicle charging equipment incentive program, and whether deposits into the Plug-in Electric Vehicle Incentive Fund (fund) from the SBC to support those programs will result in higher SBC revenues expenditures, as opposed to reallocation of current revenues from existing programs.

The electric vehicle incentive program is to run for up to 10 years and distribute no less than $30 million per year towards the purchase of electric vehicles, but not more than $5,000 per new eligible electric vehicle. If realized, this will result in a minimum expenditure of $300 million. The bill requires the BPU to deposit at least $30 million per year for 10 years into the fund from the SBC to pay for the program.

The in-home electric vehicle charging equipment incentive program is to provide grants of up to $500 each for individuals buying in-home electric vehicle charging equipment. This program is also to run for 10 years. The bill gives discretion to the BPU to determine the size of the grant, up to $500, and the total annual amount of disbursements from the fund to support the program.

These two programs will have a minimum cost of $30 million per year, but possibly more depending upon how the BPU decides to administer the programs. The funding sources identified under the bill are deposits from the SBC or money made available to the BPU from participation in the RGGI. The bill does not increase RGGI revenues nor does it require the BPU to increase total SBC revenue or spending to implement the bill's programs. To the extent the BPU increases

total SBC revenue, because this is a ratepayer supported source of funding, higher retail prices for energy would affect State and local government entities. The amount of the price increase attributable to the bill is contingent, in part, on the decision made by the BPU, which the OLS cannot anticipate. An increase in the price of energy will yield indeterminate additional State revenues, given that the increase paid by all ratepayers will be subject to the State sales and use tax. The OLS cannot determine the percentage of the total cost of any rate increase that will be borne by State and local governments because of a lack of data on their energy consumption.

The State will also realize additional administrative costs for the BPU to establish and run these two incentive programs, as well as the required website. The BPU is permitted to recover its administrative costs separately from the SBC, so it can be expected that the additional administrative costs will be recovered through utility rates. The cost to state and local government units would be negligible once spread over the cost of the State's entire rate base.

The DEP public education effort to promote the electric vehicle infrastructure goals under the bill will also represent a State cost. The magnitude of these costs are indeterminate due to a lack of foreknowledge about how the DEP will structure the education effort and the various strategies to be employed. The design of the education effort itself will be the primary determinate of its eventual cost.

Section:	*Authorities, Utilities, Transportation and Communications*
Analyst:	*Patrick Brennan* *Principal Fiscal Analyst*
Approved:	*Frank W. Haines III* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

Governor Murphy Signs Legislation Establishing Statewide Goals and Incentives for Increased Use of Electric Vehicles and Charging Infrastructure

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TRENTON – Governor Phil Murphy today signed comprehensive legislation (S2252) that establishes goals and incentives for the increased use of plug-in electric vehicles and infrastructure in New Jersey. The bill also codifies the Murphy Administration's goal of 330,000 registered light-duty electric vehicles by 2025 and directs state-owned light-duty vehicles to be electric by 2035. The legislation directs the Department of Environmental Protection and Board of Public Utilities to establish goals for the electrification of medium and heavy-duty vehicles. Additionally, NJ TRANSIT will move toward zero emission bus purchases by 2032. The legislation supports Governor Murphy's goal of putting New Jersey on a path to a 100 percent clean energy by 2050.

"Increasing the use of electric vehicles is a critical step to secure New Jersey's clean energy future," **said Governor Murphy.** "By establishing aggressive goals and strong incentives for electric vehicles, we are repositioning our economy and state for a clean future. Today, I am proudly signing bipartisan legislation that will transform New Jersey's transportation sector and modernize our infrastructure to support our goal of reaching 100 percent clean energy by 2050."

The bill also directs that by December 31, 2020, and every five years thereafter, the Department of Environmental Protection is required to prepare and submit to the Governor and the Legislature a report that assesses the state of the plug-in electric vehicle market in New Jersey; measure the state's progress toward achieving the goals outlined in the bill; identify barriers to the achievement of the goals; and make recommendations for legislative or regulatory action to address those barriers.

The legislation creates a "Light Duty Plug-in Electric Vehicle Rebate Program" to encourage the purchase of light-duty plug-in electric vehicles over a ten-year period. The rebates will provide up to $5,000 per vehicle and will be funded by approximately $30 million from the Clean Energy Fund each year. The bill authorizes the use of Regional Greenhouse Gas Initiative funds as well.

Additionally, the bill grants the Board of Public Utilities the authority to also establish an incentive program for the purchase and installation of in-home electric vehicle charging equipment up to $500 per person. The bill authorizes BPU to deposit monies from the Clean Energy Fund into the newly established Plug-In Electric Vehicle Fund for these incentives in addition to the $30 million for the vehicle rebates.

"Today's bill will put more electric vehicles on the road and keep them running throughout the Garden State," **saidNew Jersey Department of Environmental Protection Commissioner Catherine R. McCabe.** "This is more than just a win for electric vehicle owners, it is a big leap forward in reducing emissions in New Jersey, giving us cleaner air and helping to reduce the damaging effects of climate change. We thank the Governor and New Jersey's legislature for taking this bold step, leading the nation toward a greener future."

"Thank you, Governor Murphy, for signing this legislation advancing the use of electric vehicles in the state of New Jersey, and thank you to the Legislature for passing it," **said Joseph L. Fiordaliso, President, New Jersey Board of Public Utilities.** "This new law will help residents become a part of the solution in our shared fight to protect the environment and mitigate the impact of climate change. The transportation sector is one of the largest contributors to greenhouse gas emissions in our state and driving an electric vehicle is one of the best ways for a resident to take individual action to reduce their carbon footprint. I encourage everyone to take a look at this smart new incentive and consider whether they might be able to take advantage of it."

"The New Jersey Department of Transportation, along with its sister state transportation agencies, supports the Governor's vision of a 100 percent clean energy New Jersey by 2050," **said NJDOT Commissioner Diane Gutierrez-Scaccetti.** "To that end, we have started the planning process for light duty vehicle fleet conversion. The bill that Governor Murphy signs today ensures that the state's transportation agencies will stay true to that commitment well into the future."

Primary sponsors of the legislation include Senators Bob Smith and Linda Greenstein, and Assemblymembers Daniel Benson, Nancy Pinkin, and James Kennedy.

“Given the speed at which the planet is warming, it is imperative we do all that we can to protect the environment,” **said Senator Smith.** “Increased usage of electric cars could greatly reduce the state’s greenhouse gas emissions and improve air quality. This would have a major positive impact in our urban communities and along high traffic corridors, improving the quality of life for many New Jerseyans.”

“Electric vehicles are the future of transportation but many people are reluctant to make the switch for a number of reasons. They cost more upfront and minimal access to charging stations creates uncertainty about their range,” **said Senator Greenstein.** “By offering rebates to buyers and building convenient charging stations around the state, this landmark law removes those barriers and paves the way for widespread usage of electric cars all across the state.”

“Our goal is to get more electric vehicles on the road, which in turn will result in less greenhouse gas emissions that contribute to climate change, more local jobs to put the charging infrastructure in place, and cleaner air for our communities,” **said Assemblyman Benson, chair of the Assembly Transportation Committee**. “For a cleaner, healthier state, this new law will put forth strong attainable goals to increase the amount of electric vehicles and charging stations in New Jersey.”

“It is estimated that 75 billion miles are traveled on New Jersey roads every year in vehicles fueled by gasoline and diesel,” **said Assemblywoman Pinkin, Chair of the Assembly Environment and Solid Waste Committee.** “By promoting the use of electric vehicles under these goals, we can help make New Jersey air cleaner which would be a huge win for the environment and public health. With the climate crises we are seeing across the world, it is imperative that we move to reduce as carbon footprint as quickly as possible.”

“Incentivizing the switch to electric vehicles will not only help save money and reduce emissions, but will be critical in laying the foundation for a self-sustaining market in the long term,” **said Assemblyman Kennedy.** “This law ensures we are equipped to build on year-to-year successes.”

"Today is a great day for all New Jerseyan's thanks to Governor Murphy's signature of the bipartisan EV Bill," **said Ed Potosnak, Executive Director of New Jersey League of Conservation Voters.** "This bill helps transition families and public transportation from dirty, fossil fuel burning vehicles to clean, electric vehicles reducing air pollution and greenhouse gas emissions, improving public health, and saving New Jerseyan's money."

"Governor Murphy signed the most significant legislation in more than 15 years to reduce air pollutants and global warming pollution from our cars and trucks since the passage of the Clean Cars bill in 2004. This bill will make New Jersey a leading state in electrifying our transportation sector and move towards a future of zero tailpipe emissions from our vehicles,” **said Doug O’Malley, Director of Environment New Jersey.** “This bill is a huge step to put us on the road to meet our Clean Cars mandates and puts NJ Transit on par with more than 60 transit agencies across America that have committed to electrifying their bus fleets."

“We applaud Governor Murphy and our Senate and Assembly leadership for taking nation leading steps today to clean our air and reduce emissions,” **said Pamela Frank, CEO of ChargeEVC.** “The fact that there is remarkable alignment with this law and initiatives that have already begun under Governor Murphy’s administration is not an accident. All stakeholders have worked together to get us to this point. With swift implantation of this law, we look forward to setting an example for the rest of the country.”