

SENATE, No. 2671

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 16, 2022

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator HOLLY T. SCHEPISI

District 39 (Bergen and Passaic)

Co-Sponsored by:

Senators Bramnick, Oroho, Stanfield and O'Scanlon

SYNOPSIS

Prohibits adoption of any State rule or regulation mandating electric heating or water heating systems in buildings prior to issuance of DCA report.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/15/2022)

1 AN ACT concerning certain electric heating and water heating
2 systems and supplementing Title 52 of the Revised Statutes.

3
4 BE IT ENACTED by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. a. Notwithstanding the provisions of any other law, or rule or
8 regulation adopted pursuant thereto, to the contrary, the Department of
9 Community Affairs, the Department of Environmental Protection, the
10 Board of Public Utilities, or any other State agency shall not adopt any
11 rule or regulation that mandates the use of an electric heating system
12 as the sole or primary means of heating buildings in the State,
13 including but not limited to, residences or commercial buildings, until
14 the Department of Community Affairs issues the report required by
15 section 2 of this act.

16 b. Notwithstanding the provisions of any other law, or rule or
17 regulation adopted pursuant thereto, to the contrary, the Department of
18 Community Affairs, the Department of Environmental Protection, the
19 Board of Public Utilities, or any other State agency shall not adopt any
20 rule or regulation that mandates the use of an electric water heating
21 system as the sole or primary means of providing hot water to
22 buildings in the State, including but not limited to, residences or
23 commercial buildings, until the Department of Community Affairs
24 issues the report required by section 2 of this act.

25 c. Nothing in this section shall be construed to abrogate or modify
26 the ability of a State agency or a private entity to implement a program
27 to incentivize the voluntary installation or use of electric heating
28 systems or electric water heating systems.

29 d. Nothing in this section shall be construed to abrogate or modify
30 the ability of a person to utilize an electric heating system as the sole
31 or primary means of heating a building, or to utilize an electric water
32 heating system as the sole or primary means of providing hot water to
33 a building.

34
35 2. a. No later than 18 months after the effective date of this act,
36 the Department of Community Affairs, in cooperation with the
37 Department of Environmental Protection and the Board of Public
38 Utilities, shall hold a minimum of six public hearings, at least one of
39 which shall be located in each of the northern, central, and southern
40 regions of the State, on the electrification of space and water heating in
41 residences and commercial buildings. The hearings shall solicit input,
42 at a minimum, on the following:

43 (1) the cost of retrofitting an existing building to use solely
44 electric heating systems and electric water heating systems;

45 (2) the increased cost, if any, for the construction of a new
46 building that uses solely electric heating systems and electric water
47 heating systems, versus that of a new building that includes natural gas
48 heating systems;

1 (3) the cost of operating a building that uses solely electric heating
2 systems and electric water heating systems, including any applicable
3 demand charges for electricity;

4 (4) the impact on ratepayers to modify the State's electric
5 distribution system to accommodate residential and commercial
6 buildings that use solely electric heating systems and electric water
7 heating systems, as well as the increased use of electric vehicles;

8 (5) the impact on low-income ratepayers of the modifications
9 described in paragraph (4) of this subsection;

10 (6) the potential for meeting the State's greenhouse gas emissions
11 reduction goals established by the "Global Warming Response Act,"
12 P.L.2007, c.112 (C.26:2C-37 et al.), by using low- and zero-emission
13 alternatives to existing fossil fuels;

14 (7) the potential reduction in air pollution and increase in public
15 health benefits that may result from an electrified residential and
16 commercial building sector;

17 (8) the impact a mandate for the use of electric heating systems
18 and electric water heating systems in residential and commercial
19 buildings would have on workers in the fossil fuel industry and what
20 jobs with comparable compensation and lifestyles are available as a
21 replacement;

22 (9) the environmental and economic impacts of using low- and
23 zero-emission alternatives to existing fossil fuels in existing residential
24 and commercial buildings, versus a mandate for the use of electric
25 heating systems and electric water heating systems;

26 (10) the greenhouse gas emission reduction cost, in dollars per ton
27 of greenhouse gas, for both the use of low- and zero-emission
28 alternatives to fossil fuels in existing residential and commercial
29 buildings in the State, and a mandate for the use of electric heating
30 systems and electric water heating systems;

31 (11) an examination of impacts to consumers, utilities, and State
32 and local governments of the costs described in paragraph (10) of this
33 subsection; and

34 (12) the impact of a mandate for the use of electric heating
35 systems and electric water heating systems in residential and
36 commercial buildings on the accessibility to, and eligibility for,
37 government utility assistance programs for residents of the State.

38 b. No later than 24 months after the effective date of this act, the
39 Department of Community Affairs, in consultation with the
40 Department of Environmental Protection and the Board of Public
41 Utilities, shall prepare and submit to the Governor and, pursuant to
42 section 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature a report
43 that summarizes the information solicited at the public hearings
44 required by subsection a. of this section and recommends legislative
45 and regulatory actions related to greenhouse gas emissions from
46 residential and commercial buildings in the State.

47
48 3. This act shall take effect immediately.

STATEMENT

This bill would prohibit the Department of Community Affairs (DCA), the Department of Environmental Protection (DEP), the Board of Public Utilities (BPU), or any other State agency from adopting rules and regulations that mandate the use of electric heating systems or electric water heating systems as the sole or primary means of heating buildings or providing hot water to buildings, including, but not limited to, residences or commercial buildings. The prohibition would remain in effect until the DCA issues a report on the costs and benefits of electric heating, as required by the bill.

The bill would not prohibit a State agency from offering incentives for the voluntary installation or use of an electric heating or electric water heating system. In addition, the bill would not prohibit a person from installing or using an electric heating system as the sole or primary means of heating a building or an electric water heating system as the sole or primary means of providing hot water to a building.

The bill would require the DCA, in cooperation with the DEP and the BPU, to hold at least six public hearings throughout the State, within 18 months after the bill's enactment, to solicit information on topics related to the costs and benefits of electric heating systems and the reduction of greenhouse gas emissions from residential and commercial buildings in the State. The bill would then require the DCA, in consultation with the DEP and the BPU, to publish, within 24 months after the bill's enactment, a report that summarizes the information submitted at the public hearings held pursuant to the bill, and recommends legislative and regulatory actions. After the report is published, the bill's prohibition on regulatory actions to mandate the installation of electric heating systems or electric water heating systems would expire.