

SENATE, No. 3224

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED OCTOBER 27, 2022

Sponsored by:
Senator TROY SINGLETON
District 7 (Burlington)

SYNOPSIS

Requires request for proposal to establish demonstration program to develop electric vehicle charging depots serviced by distributed energy resource charging centers for certain electric vehicle use.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the establishment of a demonstration program
2 for the development of certain electric vehicle charging depots
3 and supplementing Title 48 of the Revised Statutes.

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

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8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 “Authority” means the New Jersey Economic Development
11 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

12 “Board” means the Board of Public Utilities or any successor
13 agency.

14 “Brownfield” means the same as the term is defined in section 3
15 of P.L.1999, c.23 (C.48:3-51).

16 “Class I renewable energy” means electric energy produced from
17 solar technologies, photovoltaic technologies, wind energy, fuel
18 cells, geothermal technologies, wave or tidal action, small scale
19 hydropower facilities with a capacity of three megawatts or less and
20 put into service after the effective date of P.L.2012, c.24, methane
21 gas from landfills, methane gas from a biomass facility provided
22 that the biomass is cultivated and harvested in a sustainable manner,
23 or methane gas from a composting or anaerobic or aerobic digestion
24 facility that converts food waste or other organic waste to energy.

25 “DC fast charger” means the same as the term is defined in
26 section 2 of P.L.2019, c.362 (C.48:25-2).

27 “Demonstration program” means the demonstration program
28 authorized in response to a request for proposal developed and
29 issued by the authority pursuant to section 2 of
30 P.L. , c. (C.) (pending before the Legislature as this bill).

31 “Department” means the Department of Environmental
32 Protection.

33 “Distributed energy resource” means an electricity-producing
34 resource or controllable load that is connected to an electric public
35 utility’s infrastructure, or a microgrid that is connected to a utility’s
36 infrastructure.

37 “Distributed energy resource charging center” means one or
38 more distributed energy resources consisting of a group of
39 interconnected loads, including at least one electric vehicle charger
40 and distributed energy resources within clearly defined electrical
41 boundaries that act as a single controllable entity with respect to a
42 utility’s infrastructure, which resources can connect to and
43 disconnect from a utility’s infrastructure and can operate both
44 connected to and independent of a utility’s infrastructure.

45 “Electric public utility” or “utility” means a public utility, as that
46 term is defined in R.S.48:2-13, that provides electric distribution
47 service in this State.

1 “Electric vehicle” means a motor vehicle that is propelled solely
2 by an electric motor or energy storage device, and includes any
3 such fleet, medium, or heavy-duty vehicle.

4 “Electric vehicle charging depot” or “depot” means a site where
5 one or more DC fast chargers are installed, along with any electrical
6 equipment needed to connect the chargers to a distributed energy
7 resource charging center, and any other electrical equipment, including
8 energy storage, needed to enhance the reliability and efficiency of the
9 chargers.

10 “Low-income, urban, or environmental justice community”
11 means the same as the term is defined in section 2 of P.L.2019,
12 c.362 (C.48:25-2).

13 “PJM Interconnection, L.L.C.” or “PJM” means the privately-
14 held, limited liability corporation that serves as a Regional
15 Transmission Organization approved by the Federal Energy
16 Regulatory Commission, or its successor, that manages the regional,
17 high-voltage electricity grid serving all or parts of 13 states,
18 including New Jersey and the District of Columbia, operates the
19 regional competitive wholesale electric market, manages the
20 regional transmission planning process, and establishes systems and
21 rules to ensure that the regional and in-State energy markets operate
22 fairly and efficiently.

23 “Request for proposal” or “proposal” means the request for
24 proposal developed and issued by the authority pursuant to section
25 2 of P.L. , c. (C.) (pending before the Legislature as this
26 bill).

27 “Successor Solar Incentive program” or “SUSI” means the
28 permanent successor to the solar incentive program established by
29 the Board of Public Utilities pursuant to P.L.2021, c.169 (C.48:3-
30 114 et al.), including the Administratively Determined Incentive
31 and the Competitive Solicitation Incentive subprograms, and any
32 successor programs or subprograms thereto.

33

34 2. a. The New Jersey Economic Development Authority, in
35 consultation with the Board of Public Utilities and the Department
36 of Environmental Protection, shall develop a request for proposal to
37 determine eligibility for the establishment of a demonstration
38 program involving the development of electric vehicle charging
39 depots for electric vehicle use. Each electric vehicle charging depot
40 shall be serviced by one or more distributed energy resource
41 charging centers, and the electric vehicle charging depots shall be
42 located within six regionally diverse locations within the State,
43 except that at least one electric vehicle charging depot, including
44 the distributed energy resource charging center servicing the depot,
45 shall be located within the service territory of each electric public
46 utility operating within this State. The proposal shall describe, in
47 detail, the requirements for the provision of electric vehicle
48 charging depots for electric vehicle charging, which depots shall, at

1 a minimum, be capable of supporting very high, coincident peak
2 vehicle electric loads. Within the proposal, the authority shall
3 provide a list and brief description of any State or local incentives
4 and support programs available to an approved applicant.

5 b. Upon developing the request for proposal, the authority shall
6 issue the proposal in a form and manner determined by the
7 authority. The authority shall establish guidelines for the approval,
8 designation, operation, reporting, and re-designation of a
9 demonstration program in a manner determined by the authority.
10 The authority may approve the development of more than one
11 electric vehicle charging depot within any of the six locations,
12 provided that the total number of approved programs satisfies the
13 requirements of subsection a. of this section.

14 c. The authority, in cooperation with the board and the
15 department, shall oversee, coordinate, and assist the demonstration
16 program approved and established pursuant to P.L. , c. (C.)
17 (pending before the Legislature as this bill).

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19 3. a. A request for proposal shall require an applicant
20 intending to establish a demonstration program to submit
21 information to the authority, which information shall include, but
22 not be limited to:

23 (1) a statement of purpose for the proposed demonstration
24 program, which shall include, but not be limited to, the
25 development of electric vehicle charging depots serviced by
26 distributed energy resource charging centers to create infrastructure
27 for the very high coincident load charging of electric vehicles;

28 (2) a validation of the cost-saving, time-saving, and resilience
29 metrics associated with the use of electric vehicle charging depots
30 serviced by distributed energy resource charging centers, as
31 compared to the traditional capital investment approach to electric
32 public utility grid replacement for the establishment of electric
33 vehicle charging depots not serviced by distributed energy resource
34 charging centers for use by electric vehicles;

35 (3) a description of the proposed electric vehicle charging
36 depots, including any distributed energy resource charging center
37 servicing the depots, and a clear explanation and map conveying the
38 physical boundaries of each proposed site;

39 (4) a statement from the applicant attesting that each distributed
40 energy resource charging center shall:

41 (a) allow for clean or renewable energy-sourced electric power
42 generation and energy storage provided on-site or on property
43 contiguous to the distributed energy resource charging center, in
44 addition to the ability to charge electric vehicles; and

45 (b) comply with any electric vehicle charging infrastructure plan
46 established by the department in which distributed energy resource
47 charging center infrastructure is needed to get the most benefit for
48 electric vehicle charging; and

1 (5) a statement that the applicant will enter into an agreement
2 with an electric public utility or PJM, as applicable, where, upon
3 receiving board approval, the utility or PJM will make any
4 necessary upgrades to its transmission or distribution infrastructure
5 at locations proposed by the applicant to prepare the location for the
6 operation of a distributed energy resource charging center.

7 b. If an electric public utility makes any capital investment to
8 upgrade its transmission or distribution infrastructure to prepare a
9 location for the operation of a distributed energy resource charging
10 center under the demonstration program, the board shall allow the
11 utility to include the costs of such investments, as well as any other
12 costs related to supporting the demonstration program, in its rate
13 base for rate recovery.

14 c. When a distributed energy resource charging center includes
15 Class 1 renewable energy resources and storage, and such storage is
16 charged by electricity generated from the Class 1 renewable energy
17 resource and electricity supplied by PJM, including electricity
18 generated from non-renewable energy sources, the distributed
19 energy resource charging center may sell excess electricity
20 generation to PJM at the wholesale price of electricity.

21 d. Notwithstanding the provisions of any law or regulation to
22 the contrary, when Class 1 renewable energy resources are included
23 in a distributed energy resource charging center, these resources
24 shall be eligible for the incentives provided by the board under the
25 Successor Solar Incentive Program's Administratively Determined
26 Incentive subprogram.

27
28 4. The authority shall give preference to any application made
29 pursuant to section 3 of P.L. , c. (C.) (pending before the
30 Legislature as this bill) for a demonstration program that:

31 a. is located within a brownfield;

32 b. provides an environmental justice net public benefit, as
33 determined by the authority, within a low-income, urban, or
34 environmental justice community;

35 c. provides job creation and job training for disadvantaged
36 persons, as determined by the authority; or

37 d. results in an expansion of the State's manufacturing base for
38 an emerging clean transportation economy and demonstrates a
39 collaboration with a State-certified educational training entity.

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41 5. Upon approval by the authority of an application to conduct
42 a demonstration program, the authority shall require the approved
43 applicant to enter into an agreement with the authority, which
44 agreement shall contain, but not be limited to:

45 a. a signed statement of cooperation and a description of the
46 roles and relationships of each entity involved in the demonstration
47 program;

1 b. a clearly identified list of goals, performance standards,
2 benchmarks, or milestones for the proposed demonstration program,
3 with approximate dates as to when the goals, performance
4 standards, benchmarks, or milestones will be achieved, and a
5 description of how these measures will be evaluated, including a
6 requirement that the approved applicant shall report to the authority
7 on the status of the applicant's achievement of these goals,
8 performance standards, benchmarks, or milestones;

9 c. a complete budget of the proposed demonstration program,
10 including a description and proof, as applicable, of any secured
11 funds, pending funds, and potential future funding sources;

12 d. a list of the approved applicant's assets and resources,
13 organizational experience, including capabilities, related
14 experience, facilities, techniques, resources, or any combinations
15 thereof, that are integral factors for achieving the proposed
16 objective of establishing an electric vehicle charging depot serviced
17 by a distributed energy resource charging center; and

18 e. the expectations for job development and business creation
19 upon the establishment and operation of an electric vehicle charging
20 depot serviced by a distributed energy resource charging center.

21
22 6. Within six months of the first approval for an application for
23 a demonstration program, and every six months thereafter, the
24 authority shall report to the department and the board on the
25 progress of each approved applicant in establishing the
26 demonstration program. The authority shall annually post the
27 information from these reports on the authority's Internet website.
28 The board shall incorporate any applicable information on the
29 establishment of the demonstration program in the Energy Master
30 Plan, or any update thereto. The authority shall report, five years
31 after the effective date of P.L. , c. (C.) (pending before the
32 Legislature as this bill), to the Governor and, pursuant to section 2
33 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, on the results
34 of the demonstration programs and post a copy of the report on the
35 authority's Internet website.

36
37 7. The authority may seek and accept gifts, donations, grants,
38 or loans from private or public sources, including, but not limited
39 to, any federal funding to be provided for the purposes of the
40 demonstration program, except that the authority shall not accept a
41 gift, donation, grant, or loan that is subject to conditions that are
42 inconsistent with any other law of this State.

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44 8. This act shall take effect immediately.

STATEMENT

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This bill requires the New Jersey Economic Development Authority (EDA), in consultation with the Board of Public Utilities (BPU) and the Department of Environmental Protection (DEP), to develop a request for proposal (RFP) to determine eligibility for the establishment of a demonstration program (program). Under the program, approved applicants would develop electric vehicle charging depots, serviced by one or more distributed energy resource charging centers (charging centers), which would be used to charge electric vehicles.

Under the bill, the electric vehicle charging depots would be developed within six regionally diverse locations within the State, except that at least one depot is required to be developed within the service territory of each electric public utility operating in the State. However, the EDA may approve the development of more than one electric vehicle charging depot within any one service territory. The bill also requires the RFP to describe, in detail, the requirements for the provision of electric vehicle charging depots; however, at a minimum, each depot is required to be capable of supporting very high, coincident peak vehicle electric loads. The EDA would also be required to establish guidelines for the approval, designation, operation, reporting, and re-designation of the program.

Under the bill, applicants intending to establish a program would be required to submit certain information to the EDA. The bill also requires the EDA to give preference to applications for a program that: (1) is located within a brownfield; (2) provides an environmental justice net public benefit within a low-income, urban, or environmental justice community; (3) provides job creation and job training for disadvantaged persons; or (4) results in an expansion of the State's manufacturing base for an emerging clean transportation economy, and demonstrates collaboration with a State-certified educational training entity. Upon approval by the EDA, the bill requires approved applicants to enter into agreements with the EDA, which agreements contain certain information set forth in the bill.

Within six months of the first approval for an application for a demonstration program, and every six months thereafter, the EDA would be required to submit a report to the DEP and BPU concerning the progress made by approved applicants. The bill also requires the EDA to annually post information from these reports on its Internet website. Additionally, the bill requires the BPU to incorporate any applicable information from these reports in the State's Energy Master Plan. Five years after the effective date of the bill, the EDA would also be required to submit a report to the Governor and the Legislature concerning the results of the establishment of the program.

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1 Under the bill, the EDA may seek and accept gifts, donations,
2 grants, or loans from private or public sources, including, but not
3 limited to, any federal funding provided for the purposes of the
4 demonstration program. However, the EDA may not accept a gift,
5 donation, grant, or loan that is subject to any conditions that are
6 inconsistent with any other law of this State.