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STATE OF NEW JERSEY

221st LEGISLATURE

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Sponsored by:

Senator ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS

Revises requirements for certain greenhouse gas emissions monitoring and reporting activities.

CURRENT VERSION OF TEXT

As reported by the Senate Environment and Energy Committee on January 14, 2025, with amendments.



1 AN ACT concerning the monitoring and reporting of greenhouse gas
2 emissions and amending P.L.2007, c.112 and P.L.2019, c.319.

3

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

6

7 1. Section 3 of P.L.2007, c.112 (C.26:2C-39) is amended to
8 read as follows:

9 3. For the purposes of P.L.2007, c.112 (C.26:2C-37 et al.):

10 "Department" means the Department of Environmental
11 Protection.

12 "Global warming potential" means the determination of the
13 atmospheric warming resulting from the release of a unit mass of a
14 particular greenhouse gas, integrated over a given time horizon, in
15 relation to the warming resulting from the release of the equivalent
16 mass of carbon dioxide.

17 "Greenhouse gas" means carbon dioxide, methane, nitrous oxide,
18 ¹**[nitrogen oxides,]** hydrofluorocarbons, perfluorocarbons, sulfur
19 hexafluoride, ¹**[hydrogen,]** and any other gas or substance
20 determined by the Department of Environmental Protection to be a
21 significant contributor to the problem of global warming. ¹For the
22 purposes of greenhouse gas emission monitoring and reporting
23 pursuant to the "Global Warming Response Act," P.L.2007, c.112
24 (C.26:2C-37 et al.), "greenhouse gas" shall also include an indirect
25 greenhouse gas.

26 "Indirect greenhouse gas" means nitrogen oxides, hydrogen, or
27 any other gas or substance determined by the Department of
28 Environmental Protection to be an indirect contributor to the
29 problem of global warming.¹

30 "Statewide greenhouse gas emissions" means the sum of calendar
31 year emissions of greenhouse gases from all sources within the
32 State, and from electricity generated outside the State but consumed
33 in the State, as determined by the department pursuant to subsection
34 c. of section 5 of P.L.2007, c.112 (C.26:2C-41).

35 "Time horizon" means the duration of time used to calculate the
36 global warming potential of a greenhouse gas, including 10 years,
37 20 years, and 100 years.

38 "2020 limit" means the level of greenhouse gas emissions equal
39 to the 1990 level of Statewide greenhouse gas emissions.

40 "2030 objective" means the level of greenhouse gas emissions
41 equal to 50 percent less than the 2006 level of Statewide greenhouse
42 gas emissions, as established by Executive Order No. 274 (2021).

43 "2050 limit" means the level of greenhouse gas emissions equal
44 to 80 percent less than the 2006 level of Statewide greenhouse gas
45 emissions.

46 (cf: ¹**[P.L.2007, c.112, s.3]** P.L.2019, c.197, s.2¹)

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEN committee amendments adopted January 14, 2025.

1

2 2. Section 5 of P.L.2007, c.112 (C.26:2C-41) is amended to read
3 as follows:

4 5. a. No later than 18 months after the effective date of P.L.2019,
5 c.197, the department shall adopt, pursuant to the "Administrative
6 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and
7 regulations establishing a greenhouse gas emissions monitoring and
8 reporting program to monitor and report Statewide greenhouse gas
9 emissions.

10 b. The rules and regulations adopted pursuant to subsection a. of
11 this section shall identify all significant sources of Statewide
12 greenhouse gas emissions, including short-lived climate pollutants,
13 and shall provide for, but need not be limited to, the following:

14 (1) monitoring and reporting of existing emissions and changes in
15 emissions over time from the sources identified by the department
16 including the global warming potential of the emissions from each
17 source, calculated using a 20-year time horizon;

18 (2) reporting the levels of those emissions and changes in those
19 emissions levels annually, commencing 18 months after the effective
20 date of P.L.2019, c.197. A report developed pursuant to this paragraph
21 shall be published no later than six months after the end of the
22 calendar year for which the report provides greenhouse gas emissions
23 data; and

24 (3) monitoring progress toward the 2020 limit **[and]** , the 2030
25 objective, the 2050 limit, and any interim limits.

26 c. Pursuant to the rules and regulations adopted pursuant to
27 subsection a. of this section, the department shall require reporting of
28 the greenhouse gas emissions:

29 (1) associated with fossil fuels used in the State, as reported by
30 entities that are manufacturers and distributors of fossil fuels, which
31 may include, but need not be limited to, oil refineries, oil storage
32 facilities, natural gas pipelines, and fuel wholesale and retail
33 distributors;

34 (2) from any entity generating electricity in the State and from any
35 entity that generates electricity outside the State that is delivered for
36 end use in the State. With respect to electricity generated outside the
37 State and imported into the State, the department shall determine the
38 emissions from that generation by subtracting the kilowatt-hours of
39 electricity generated in the State from the kilowatt-hours of electricity
40 consumed in the State, and multiplying the difference by a default
41 emissions rate determined by the department;

42 (3) from any gas public utility as defined in section 3 of P.L.1999,
43 c.23 (C.48:3-51); and

44 (4) from any additional entities that are significant emitters of
45 greenhouse gases or indirect greenhouse gases **1[such as hydrogen]1**,
46 as determined by the department, and as appropriate to enable the
47 department to monitor compliance with progress toward the 2020
48 limit, the 2030 objective, and the 2050 limit.

1 d. No later than 18 months after the department prepares and
2 transmits the report as required pursuant to subsection c. of section 6
3 of P.L.2007, c.112 (C.26:2C-42), the department shall adopt, pursuant
4 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
5 seq.), rules and regulations establishing interim benchmarks necessary
6 to achieve the 2030 objective, the 2050 limit, and measures necessary
7 to achieve the 2050 limit and the established interim benchmarks.

8 e. The department shall contract with a provider of satellite
9 greenhouse gas sensing technology in order to facilitate the
10 greenhouse gas monitoring and reporting activities required by this
11 section. The contract may include provisions for the satellite sensing
12 technology provider to perform data analysis, modeling, and other
13 functions related to greenhouse gas emissions reporting.

14 f. Greenhouse gas emission reports issued pursuant to this section
15 may include global warming potentials that are calculated using a 100-
16 year time horizon, provided that the potentials are also stated in their
17 magnitudes calculated using a 20-year time horizon, as required
18 pursuant to section 1 of P.L.2019, c.319 (C.26:2C-59), and that any
19 calculations made using global warming potentials, including those
20 made pursuant to paragraph (3) of subsection b. of this section, are
21 made using global warming potentials calculated using a 20-year time
22 horizon.

23 (cf: P.L.2019, c.197, s.3)

24
25 3. Section 1 of P.L.2019, c.319 (C.26:2C-59) is amended to
26 read as follows:

27 1. a. Whenever the Department of Environmental Protection,
28 the Board of Public Utilities, or any other State agency **calculates**
29 utilizes a global warming potential for the purposes of assessing the
30 global warming impact of a greenhouse gas, the Department of
31 Environmental Protection, the Board of Public Utilities, or other
32 State agency shall use a 20-year time horizon. This requirement
33 shall apply to any study, assessment, regulation, or incentive that is
34 conducted by, supported by, or produced for any agency in the
35 executive branch of the State government, including, but not limited
36 to, any department, board, bureau, commission, division, office,
37 council, or instrumentality thereof. The provisions of this
38 subsection shall not prevent a State agency from reporting
39 greenhouse gas emissions to federal or international jurisdictions
40 using global warming potentials calculated using a 100-year time
41 horizon, if doing so is specifically required by international treaty
42 or federal law. However, in such cases the agency shall also report
43 the greenhouse gas emissions based on a 20-year time horizon in a
44 prominent fashion.

45 b. Whenever relevant to assessing global warming impacts, the
46 Department of Environmental Protection, the Board of Public
47 Utilities, or any other State agency shall use the most recent version
48 of the Intergovernmental Panel on Climate Change's Assessment

1 Report, or a substantially similar, more recent report that addresses
2 global warming impacts at a comparably rigorous level.

3 c. Whenever the Department of Environmental Protection, the
4 Board of Public Utilities, or any other State agency performs a
5 socio-economic impact analysis pursuant to section 4 of P.L.1968,
6 c.410 (C.52:14B-4), and that analysis involves the socio-economic
7 impact of global warming, the agency shall use the lowest discount
8 rates that are consistent with federal guidelines, including the
9 federal Office of Management and Budget Circular A-94, or
10 successor guidance.

11 d. Any study, assessment, regulation, or incentive developed by
12 the Department of Environmental Protection, the Board of Public
13 Utilities, or any other State agency involving greenhouse gas
14 emissions shall include:

15 (1) methane and nitrous oxide emissions; and

16 (2) fugitive emissions or leakages at the point of generation, the
17 point of use, and at any point in the fuel supply chain.

18 (cf: P.L.2019, c.319, s.1)

19

20 4. This act shall take effect immediately.