



Lowering the Cost of
UTILITIES

JOSH
FOR JERSEY
★ GOVERNOR ★

Josh's "Lower Costs Plan for Jersey"

II. LOWER THE COST OF UTILITIES

OUR CHALLENGE

Electricity demand in the U.S. is on track to more than double between now and 2050 — and New Jersey's household bills are already 32 percent higher than the national average. Late last year, the state's Board of Public Utilities (BPU) approved a 16 percent increase in natural gas prices right before the holidays, just as winter began. More than half a million Jersey families in Monmouth, Ocean, Morris, Middlesex, and Burlington counties who get their gas from New Jersey Natural Gas will see their annual bill increase by more than \$240, on average. More than 300,000 Elizabethtown Gas Company customers in Union, Middlesex, Sussex, Warren, Hunterdon, Morris, and Mercer counties were also hit with a 6.5 percent increase, meaning families could pay nearly \$100 more annually. This is on top of a 2022 BPU-approved rate hike that cost New Jersey residents hundreds of dollars more for natural gas — as much as \$360 per year, in addition to 25 percent more for electricity.

Just last month, the BPU announced that electricity rates for residents and small to medium-sized businesses will increase by between 17 percent and 20 percent, starting June 1. This is a direct result of the underlying recent increase in prices by the regional grid operator, PJM. PJM is a consortium of thirteen states that pool power resources for 65 million Americans to ensure secure and equitable distribution of supply to meet demand, and is the largest such regional consortium in the country. But, PJM decision makers have ignored various energy supplies, while sticking to antiquated standards for who should be allowed to join in the future. The effect of these supply restrictions, even as electricity demand continues to surge, is, predictably, to drive prices through the roof.

Thirty-six percent of New Jersey residents either live below the poverty line or are Asset Limited, Income Constrained, Employed (ALICE), having to choose between food, medical care, or energy costs. Several state government support efforts can't keep up with rate hikes, so doing more to help those in need is critical.

We must use available funds to do more to make energy more affordable for Jersey families.

The single best way to reduce energy prices is simply to produce more of it — especially here in Jersey. That means adopting an All-of-the-Above Energy Policy — renewables and clean energy like solar, small nuclear, and biomass.

By producing more energy in New Jersey, we'll be both lowering costs and providing a cleaner future for our kids. Right now, to meet our energy demand, we have to purchase additional power from out-of-state. Do you know what that means? Buying electricity generated in West Virginia — from coal-fired plants. That's the dirtiest energy on the planet. We need to use cleaner fuels and advanced technologies to generate cleaner electricity right here in New Jersey, ending our dependence on coal, improving New Jersey and US energy independence, and, preventing price hikes from happening in the first place.

This challenge is only going to become more important as we try to grow our economy with the industries and jobs of the future. We need to have enough energy here in New Jersey to fuel Artificial Intelligence (AI) and data centers, to power new homes and offices, and even to convert to electric vehicles and achieve other pollution-reduction goals.

We also need to modernize our energy infrastructure to meet these needs — upgrading our out-of-date power grid with advanced technologies. For instance, New Jersey had at least six major power outages in 2024: the February 2024 Nor’easter in which 13,000 lost power, April 2024 extreme winds and rain, an August Monmouth County outage caused by a squirrel, two Amtrak outages (one that started in Philly), and a windstorm that caused outages in December in Ocean and Monmouth counties. That’s a lot for a state so small.

Expanding capacity will increase competition, reducing prices and reducing rip-offs by energy providers. And, of course, we need to cut government red tape to allow production and distribution to flow to every factory, business and home.

MY RECORD

I’ve been working on these issues already for years. I helped to negotiate, write, and pass the Bipartisan Infrastructure Bill, which so far has provided Jersey with more than \$130 million in investments for our electric grids to prevent outages, improve climate resiliency, and develop clean energy technologies.

I also worked to pass the *Inflation Reduction Act*, which directs nearly \$400 billion in federal funding toward clean energy. Between now and 2030, this will bring an estimated \$11.4 billion of investment in large-scale clean power generation and storage to New Jersey. This includes our portion of \$30 billion in tax credits to accelerate U.S. manufacturing of solar panels, batteries, and wind turbines, and \$10 billion in tax credits to build clean technology manufacturing facilities that make electric vehicles, wind turbines, and solar panels.

I helped claw back \$35 million in federal funding last year for the Low-Income Home Energy Assistance Program (LIHEAP) to help low-income families afford their electricity bills.

All across our state, I have heard the concerns from families and small businesses. When BPU approved that hike in natural gas prices right before the holidays, I sprang into action. I wrote to BPU and utility providers urging them to immediately reverse their decision to raise utility rates on families. But, I did more than that. I took action and created the new “Lower Utility Prices Plan,” which included:

- Introducing the **Energy Costs Relief Act**, providing a refundable tax credit of up to \$350 to help offset rising energy costs.
- Introducing the **Know Your Rates Act**, national legislation to require utility companies directly to notify customers by phone, email, or text after ten days into their billing cycle if their energy usage rises above their monthly average.

Customers then receive another notification after 20 days. This will help families adjust their usage or prepare for higher bills before it's too late.

- Introducing the **Home Energy Assistance Tax Credit (HEAT) Act**, doubling the maximum Energy Efficient Home Improvement Credit allowed for energy efficiency upgrades, including residential heat pumps, to \$4,000 per year. Currently, this federal tax credit is capped at \$2,000 per year.

AS YOUR GOVERNOR

To all our Jersey families who every month get sticker shock from their utility bill, my fight for affordability is just heating up. It's time to lower your rates.

PJM, the regional grid operator for Pennsylvania, New Jersey, and eleven other states, has been slow in bringing new capacity online throughout the region; this recently resulted in PJM ramping up utility rates by 30 percent until states sued to stop it. PJM needs to improve its processes for accepting new generating capacity into the grid, to help increase more affordable supply, and lower costs. As Governor, I will pressure them to do so.

But, in the meantime, we need to expand generating capacity within New Jersey, so that we're less reliant on imported energy from other states. Since 2017, five coal plants have closed in our state. This represents progress on the environment. But, along with individual generators that have shut down at some plants, it means that a total of thirty-five generators have stopped supplying power within our state in just the last eight years, forcing us to rely on more coal-fueled energy from West Virginia and other states, reducing our supply, and sending utility bills higher.

We simply need more in-state energy capacity. I will:

- **Promote an “All-of-the Above” Energy Strategy to Increase Supply.**
 - **Expand “Small Nuclear” Power:** According to PSEG Nuclear, operator of New Jersey's own nuclear plant, nuclear power generates 50% of carbon-free electricity in the country — and 90% of the carbon-free power in New Jersey. We're simply not going to move to 100% renewable energy without nuclear.
 - As Governor, I will support the twenty-year license renewal of the two south Jersey nuclear plants; amend New Jersey's Renewable Portfolio Standard (RPS) to include nuclear; explicitly classify nuclear as a full-fledged clean energy source under the New Jersey Clean Energy Act of 2024; and amend the Clean Energy Act to include funding for nuclear workforce training or research and development.
 - Most of all, I've supported the "Small Modular Nuclear Energy Incentive Act" to enable the building of more small nuclear facilities, which are simpler and safer than conventional nuclear reactors and can operate for much longer without refueling. They're also faster and more cost-effective to assemble. Right now, several “small nuclear” projects are underway in Michigan, Texas, and Tennessee — we need to push to start building them in New Jersey.

- **Increase Solar:** New Jersey is one of the nation’s top solar-producing states — but we nonetheless could expand rooftop and community solar installations. I’ll push this as Governor, with solar workforce training programs, tax incentives for solar businesses, and simplifying the permit process. I’ll also create an online unified solar panel permit, like New York’s, and launch state-backed, low-interest loans for homeowners and businesses investing in solar, particularly for low- and middle-income families.
- **Plan for the Worst, But Hope for the Best on Offshore Wind:** Thanks to Trump Administration’s hostility to renewable energy, New Jersey’s Atlantic Shores offshore wind project was recently “paused.” We need to keep looking for ways to bring offshore wind capacity to New Jersey to meet our state’s clean energy goals. But, we also need to be realistic about the possibilities in the foreseeable future and pursue the broad range of strategies I outlined above.
- **Increase Food Waste Processing Capacity to Produce Renewable Energy:** When we throw leftover food into the landfill, we are missing out on an opportunity to convert it into renewable energy. Despite the New Jersey Food Waste Recycling Law in 2021, a significant portion of food waste still ends up in landfills. This is largely because the state does not have the capacity to recycle the amount of food waste that is produced. As Governor, I will advocate for the building of more anaerobic digesters in high-waste-producing areas.
- **Invest in Needed Energy Infrastructure.**

We need more, and more modern, grid capacity in order to deliver supply and lower prices.

 - I will undertake the kind of investment in our power grid and powerlines that both New York and Pennsylvania are pursuing — investing in new substations, rebuilding transmission lines with advanced composite materials, replacing aging poles and overhead wire, installing protective devices and building tie lines, undergrounding cables and equipment where appropriate, and building new power lines to connect more sources to supply electricity to customers, enhancing operational flexibility, increasing reliability and lowering costs.
 - I will also replicate efforts in Pennsylvania, which just announced new programs to expand both the power getting injected into the grid and the capacity to carry it — modernizing energy standards to encourage innovation in nuclear and renewable energy, including advances in battery storage technology, and streamlining the permitting process for energy projects, reducing bureaucratic delays and accelerating development.
 - New Jersey already has one of the most ambitious battery storage targets in the country. However, to meet these targets, some policies need to change. As Governor, I will support legislation to establish an incentive program for the installation of

energy storage systems. I will also support the New Jersey Energy Storage Incentive Program, a plan that will provide incentives for two types of projects: stand-alone grid-connected energy storage systems, and solar-plus-storage projects that do not qualify for storage incentives under the Successor Solar Incentive (SuSI) Program.

- **Push PJM to Expand Supply.**

PJM was innovative when it was founded 100 years ago (the “J” stands for “Jersey,” one of the first three states to found it). Since then, it has become anything but. PJM has shut down applications for new projects to come online since 2021, and currently isn’t rescheduled to reopen applications until 2026. It employs antiquated practices to structure its electricity market and, as a result, not surprisingly, it allows consumer prices to reach unaffordable levels. It also historically has discouraged low-carbon electricity sources and transitioning to renewables. In fact, in its most recent price auctions, it tried to shift blame from its failure to process applications from new sources to the development of clean energy policies like New Jersey’s. Governor Murphy has joined other governors in challenging these practices, but it seems PJM needs to know that’s just the beginning. As Governor, I will:

- Press PJM to streamline its closed interconnection queue. We need to be working to bring more capacity online now and never allow this to occur again.
- Make clear that All-of-the-Above energy policies are here to stay, and it needs to adapt.
- Insist that member states must help to determine which projects are ready for connection to the network and speed up project approvals.
- Ensure affordable, reliable power year-round and institute lower capacity price caps.
- Explore every option for New Jersey families. PJM needs to realize that there are eight other regional grid operators in the U.S., and many of them (including PJM) service non-contiguous areas. If PJM can’t deliver the supply and price levels that Jersey families deserve, we should be looking into other options.

- **Safeguard Service.**

As Governor, I will institute pre-positioned specialized repair crews in areas vulnerable to severe weather to expedite power restoration. This approach has been effective in Florida, where the Florida Department of Law Enforcement (FDLE) deploys teams to assist with emergency repairs and debris removal. As is common with fighting wildfires, I will also collaborate with nearby states to provide mutual support during power outages, ensuring that additional repair crews can be deployed where they are needed most.

- **Help Families Pay to Lower and Cover Their Utility Bills.**

So far, I've talked about controlling energy costs entirely as a supply issue. But it's also an ability-to-pay challenge for many families. As Governor, I will:

- **Expand utility assistance programs.** I will raise funding, and corresponding benefit levels, for both the Lifeline Utility Assistance Program and the Payment Assistance for Gas and Electric (PAGE) program, and authorize the early sale of winter-blend gasoline, which is cheaper to produce, to increase fuel supply and reduce prices during periods of high costs, as even the environmentally-conscious California Air Resources Board has done.
- **Lengthen the Winter Termination Program (WTP)** to run from November 1 to May 1, to match the longer dates in other states. This will ensure that at-risk families don't face shut-offs of needed utility service during periods of potential extreme cold.
- **Help families purchase energy efficiency upgrades in homes and energy-efficient appliances to save on utility costs:** Every family in New Jersey can save on energy costs by upgrading their home to reduce needless energy waste. As Governor, I will help them to do so by providing energy efficiency rebates to homeowners and expanding the existing Comfort Partners program to include comprehensive "whole house" energy assessment, state-of-the-art building diagnostics, and full-service energy-efficient retrofits. And, I will institute a state tax credit that will cover 30 percent, up to \$2,000, of the heat pump cost and installation, as I did at the federal level.