

CHAPTER 197

AN ACT concerning the reduction of greenhouse gases and amending P.L.2007, c.112.

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

1. Section 2 of P.L.2007, c.112 (C.26:2C-38) is amended to read as follows:

C.26:2C-38 Findings, declarations relative to greenhouse gas emissions.

2. The Legislature finds and declares that, internationally, the issue of global warming has caused alarm, awareness, and action concerning climate changes occurring around the globe attributed to the high level of certain gases called "greenhouse gases" - gases that increase temperatures in the atmosphere and the risk of catastrophic changes to the Earth's ecosystems and environment; that, while this global warming may be a theory to some, the effects of increasing levels of greenhouse gases in the atmosphere are accepted by all respected scientists and the vast majority of the international community as seriously detrimental to the ecosystems and environment of the world; that, ultimately, if steps are not taken to reverse these trends, the effects on human, animal and plant life on Earth may be catastrophic; that solutions exist to halt the increasing of greenhouse gases in the atmosphere and reduce these emissions; that, as a global issue, each country and region within a country must do its part to reduce these greenhouse gases that threaten the globe; and that, as a State, there are specific actions that can be taken to attack the problem of global warming, through reductions of greenhouse gas emissions in the State and participation in regional and interstate initiatives to reduce these emissions regionally, nationally, and internationally.

The Legislature further finds and declares that, while carbon dioxide is the primary and most abundant greenhouse gas, other greenhouse gases known as short-lived climate pollutants, including black carbon, fluorinated gases, and methane, create a warming influence on the climate that is many times more potent over a shorter period of time than that of carbon dioxide, and have a dramatic and detrimental effect on air quality, public health, and climate change; and that reducing emissions of these pollutants can have an immediate beneficial impact on climate change and public health.

The Legislature therefore finds and declares that it is in the public interest to establish a greenhouse gas emissions reduction program that includes a comprehensive strategy to reduce short-lived climate pollutants and to limit the level of Statewide greenhouse gas emissions, and greenhouse gas emissions from electricity generated outside the State but consumed in the State, to the 1990 level or below, of those emissions by the year 2020, and to reduce those emissions to 80 percent below the 2006 level by the year 2050.

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

C.26:2C-39 Definitions relative to greenhouse gas emissions.

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

“Department” means the Department of Environmental Protection.

“Greenhouse gas” means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and any other gas or substance determined by the Department of Environmental Protection to be a significant contributor to the problem of global warming.

“Statewide greenhouse gas emissions” means the sum of calendar year emissions of greenhouse gases from all sources within the State, and from electricity generated outside the

State but consumed in the State, as determined by the department pursuant to subsection c. of section 5 of P.L.2007, c.112 (C.26:2C-41).

“2020 limit” means the level of greenhouse gas emissions equal to the 1990 level of Statewide greenhouse gas emissions.

“2050 limit” means the level of greenhouse gas emissions equal to 80 percent less than the 2006 level of Statewide greenhouse gas emissions.

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

C.26:2C-41 Rules, regulations for monitoring, reporting emissions.

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

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

(1) monitoring and reporting of existing emissions and changes in emissions over time from the sources identified by the department;

(2) reporting the levels of those emissions and changes in those emissions levels annually, commencing 18 months after the effective date of P.L.2019, c.197; and

(3) monitoring progress toward the 2020 limit and the 2050 limit and any interim limits.

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

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

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

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

(4) from any additional entities that are significant emitters of greenhouse gases, as determined by the department, and as appropriate to enable the department to monitor compliance with progress toward the 2020 limit and the 2050 limit.

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

4. Section 6 of P.L.2007, c.112 (C.26:2C-42) is amended to read as follows:

C.26:2C-42 Evaluation of policies and measures; reports.

6. a. The department, in consultation with the Board of Public Utilities, the Department of Agriculture, the Department of Transportation, and the Department of Community Affairs, shall evaluate policies and measures that will enable the State to achieve the 2020 limit, shall make specific recommendations on how to achieve the emission reduction targets, including measures that reduce emissions in all sectors of the economy including transportation, housing, and consumer products, and shall evaluate the economic benefits and costs of implementing these recommendations. The department shall coordinate its evaluation of greenhouse gas emission reduction policies and measures with the work of the Energy Master Plan Committee established pursuant to section 12 of P.L.1977, c.146 (C.52:27F-14).

b. No later than June 30, 2008, the department, and any other State agencies, as appropriate, shall prepare a report recommending the measures necessary to reduce greenhouse gas emissions to achieve the 2020 limit. The report shall include specific recommendations for legislative and regulatory action that will be necessary to achieve the 2020 limit. The report shall be transmitted to the Governor, to the State Treasurer, to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) and to the members of the Senate Environment Committee and the Assembly Environment and Solid Waste Committee.

c. No later than one year after the effective date of P.L.2019, c.197, the department, in consultation with the Board of Public Utilities and any other State agencies, as appropriate, shall prepare a report recommending the measures necessary to reduce greenhouse gas emissions, including short-lived climate pollutants, to achieve the 2050 limit. The report shall include specific recommendations for legislative and regulatory action that will be necessary to achieve the 2050 limit and any established interim benchmarks. The report shall also include recommendations for additional policies and measures that will be required if the State is otherwise expected to exceed the 2020 limit and any additional measures that will be required to meet the 2050 limit. The report shall be transmitted to the Governor, to the State Treasurer, to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) and to the members of the Senate Environment Committee and the Assembly Environment and Solid Waste Committee.

d. The Energy Master Plan Committee shall include in its adoption of the first update of the energy master plan completed after the date of enactment of P.L.2007, c.112 (C.26:2C-37 et al.), a list of recommended policies and measures to reduce the emission of greenhouse gases from the production, processing, distribution, transmission, storage, or use of energy that will contribute to achieving the 2020 limit.

e. Nothing in P.L.2007, c.112 (C.26:2C-37 et al.) shall impose any limit on the existing authority of the department, the Board of Public Utilities, or any other State department or agency to limit or regulate greenhouse gas emissions pursuant to law.

5. Section 7 of P.L.2007, c.112 (C.26:2C-43) is amended to read as follows:

C.26:2C-43 Reports.

7. a. No later than 18 months after the effective date of P.L.2019, c.197, and biennially thereafter, the department shall prepare and transmit, in writing, a report to the Governor, to the State Treasurer, to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) and to the members of the Senate Environment Committee and the Assembly Environment and Solid Waste Committee, on the status of the greenhouse gas emissions monitoring and reporting program established pursuant to P.L.2007, c.112 (C.26:2C-37 et al.), the current level of greenhouse gas emissions in the State and the progress made toward

compliance with the 2020 limit and the 2050 limit established pursuant to P.L.2007, c.112 (C.26:2C-37 et al.). The report shall also include updated and comparative inventories of Statewide greenhouse gas emissions.

b. As part of the reports required pursuant to subsection a. of this section, the department shall evaluate the ecological, economic, and environmental factors and the technological capability affecting the attainment or maintenance of the 2020 limit and the 2050 limit established pursuant to this act.

6. This act shall take effect immediately.

Approved July 23, 2019.