

NEW JERSEY

CLIMATE POLLUTION REDUCTION GRANT WORKPLAN

APRIL 2023

Amended August 2023



SUMMARY STATEMENT

Overview

The State of New Jersey (State) is committed to taking decisive action on climate change as evidenced by its ongoing climate mitigation planning and implementation efforts and will expand and further those efforts through the CPRG funding. Three state offices and agencies - the New Jersey Department of Environmental Protection (NJDEP or the Department), the Governor's Office of Climate Action and the Green Economy (OCAGE), and the New Jersey Board of Public Utilities (BPU) - will lead the development of the state's Climate Pollution Reduction Grant (CPRG) deliverables. This includes the Priority Climate Action Plan (PCAP), the Comprehensive Climate Action Plan (CCAP), and the Status Report, all of which will build upon New Jersey's existing climate mitigation framework. These deliverables will be informed by the State's two foundational climate action plans: the [2019 Energy Master Plan](#) (2019 EMP) and the [Global Warming Response Act 80x50 Report](#) (80x50 Report). New Jersey's CPRG deliverables will also rely and expand upon the [2022 Greenhouse Gas Emissions Inventory Midcycle Update Report](#) and will thematically connect to the priorities and outputs of the New Jersey Clean Buildings Working Group, New Jersey Regional Greenhouse Gas Initiative (RGGI) [funding plans](#), the New Jersey [Green Jobs for a Sustainable Future Report](#), NJDEP's [Food Waste Reduction Plan](#), [Greenhouse Gas Monitoring and Reporting Rule](#), the [Electric Vehicle \(EV\) Law](#), transportation electrification rules (e.g., the Advanced Clean Truck Rule), and the [Natural Working Lands Strategy](#).

PCAP

The PCAP will target emissions from the major sources of greenhouse gases in New Jersey.

- Scope will be statewide for the following priority sectors: transportation, electric generation, buildings, food waste, and halogenated gases. Additionally, the PCAP will address opportunities to maximize carbon sequestration through the state's natural working lands.
- Connections to existing work: New Jersey's existing greenhouse gas inventory, climate pollutant reduction targets, emission projections, plans for leveraging federal funds, and workforce analysis will be woven into the PCAP. The PCAP will expand upon and enhance existing greenhouse gas reduction programs in the state, such as the It Pay\$ to Plug In grant program; Charge Up New Jersey EV Charger Incentive program; eMobility grants for electric car-sharing and ride-hailing services; diesel vehicle and equipment electrification grants; New Jersey Zero Emission Incentive Program; EV Tourism grants; Community Energy Plan Grant (CEPG) Program; Whole House Pilot Program; Energy Efficiency Benchmarking Program; Residential, Commercial, and Industrial Energy Efficiency Programs; Community Solar Program; Commercial Property Assessed Clean Energy Program; and the Natural Climate Solutions Grant Program.
- Major deliverables supporting PCAP development will include a stakeholder engagement plan and quantifications of greenhouse reduction measures and low-income and disadvantaged communities' (LI-DC) benefits.
- Interagency and stakeholder engagement, described below, will kick off during the summer of 2023.¹
- Additional timelines: 1) Development of stakeholder engagement plan; 2) Development of a draft list of priority climate actions in the fall of 2023; 3) Quantification of benefits for the priority actions in the fall of 2023; and 4) Submission of final plan to EPA in March 2024.

CCAP

The CCAP will be modeled off the 80x50 Report, addressing the seven major sectors of the state's economy.

- Scope/sectors will be transportation, electric generation, buildings, industry, waste and agriculture, short-lived climate pollutants (emissions associated with halogenated gases and methane from natural gas transmission and distribution), and carbon sequestration by agricultural croplands, grasslands, forests, wetlands, salt marshes, and developed lands.
- Major deliverables supporting CCAP development will include a stakeholder engagement plan, quantifications from the full geographic scope benefits analysis and workforce planning analysis, and an updated greenhouse gas inventory. Further, to the extent that the CCAP addresses sectors and strategies not previously addressed by the PCAP, the Department will submit an updated quantification of greenhouse gas reduction measures and LI-DC benefits.
- Interagency and stakeholder engagement, described below, will take place during the fall of 2024.

¹ All dates stated in this workplan assume expenses chargeable to the CPRG will be allowable from June 1, 2023 forward.

- Additional timelines: 1) Development of stakeholder engagement plan; 2) Development of a draft list of climate actions in the winter of 2025; 3) Quantification of benefits for the list of climate actions in winter of 2025; and 4) Submission of final plan in the summer of 2025.

Status Report

The Status Report will serve as an accountability report on climate mitigation efforts, documenting the collection of the data and lessons learned from the PCAP and CCAP and evaluating the state's implementation progress. The report will be informed by the metrics and reporting framework currently under development for the state's 80x50 progress report to be released by the end of 2023.

- Major deliverables will include an implementation status report and future budget/staffing needs.
- Interagency and stakeholder engagement, described below, will take place during the summer-fall of 2026.
- Additional timelines: 1) Development of a framework for the status tracking report in the fall of 2026; 2) Development of updated emission analyses and benefits during the fall of 2026 and winter of 2027; and 3) Submission of final report in the summer of 2027.

Stakeholder Engagement

New Jersey proposes to conduct engagement utilizing a mix of in-house resources and partnerships with trusted leaders of local organizations. New Jersey will also establish a virtual work group with the relevant Metropolitan Planning Organizations (MPOs) and Metropolitan Statistical Areas (MSAs) to ensure coordination throughout the development of the climate action plans. Further, New Jersey will work directly with local governments to provide multiple opportunities for engagement and sustained communication.

Budget

Description	Funding Amount
<u>1. Intergovernmental and stakeholder engagement</u> , including staffing and operational costs to support agency-led engagement, and contracting with environmental justice groups and sector-specific leaders to perform direct engagement	\$669,999
<u>2. Technical analysis</u> , including staff support, modeling and tool development, and contracting costs	\$922,429
<u>3. Building capacity and expertise to implement greenhouse gas reduction measures at the state and local level</u> . This includes sector-specific technical assistance programs, public facing quantification tools, and staff support.	\$1,407,572
Total	\$3,000,000

RESPONSIBLE ENTITIES

Lead Agency

Lead contact:

New Jersey Department of Environmental Protection (NJDEP) Air, Energy and Materials Sustainability (AEMS) program.

Primary point of contact:

Mr. Shawn LaTourette, Commissioner, Department of Environmental Protection, Commissioner@dep.nj.gov

Additional points of contact:

Helaine Barr, Chief, Bureau of Climate Change and Clean Energy, Helaine.Barr@dep.nj.gov

Peg Hanna, Assistant Director, Air Monitoring and Mobile Sources, Peg.Hanna@dep.nj.gov

Coordinating Entities

The table below provides a preliminary overview of other state agencies, organizations, and subawardees that will be involved in the deliverable development process.

State Offices, Agencies and Councils	Local Governments and Affiliates
New Jersey Office of Climate Action and the Green Economy	21 New Jersey Counties
New Jersey Board of Public Utilities	New Jersey League of Municipalities
New Jersey Department of Community Affairs	New Jersey Association of Counties
New Jersey Department of Transportation	Sustainable Jersey
New Jersey Transit	
New Jersey Economic Development Authority	
New Jersey Housing and Mortgage Finance Agency	
New Jersey Department of Agriculture	
New Jersey Department of Labor	
Environmental Justice Advisory Council (EJAC) to NJDEP	
Academics and Sub Awardees	Regional Organizations
Rutgers, The State University of New Jersey, the Climate Change Resource Center	North Jersey Transportation Planning Authority
Community leaders	South Jersey Transportation Planning Organization
	Delaware Valley Regional Planning Commission
	Northeast States for Coordinated Air Use Management (NESCAUM)*

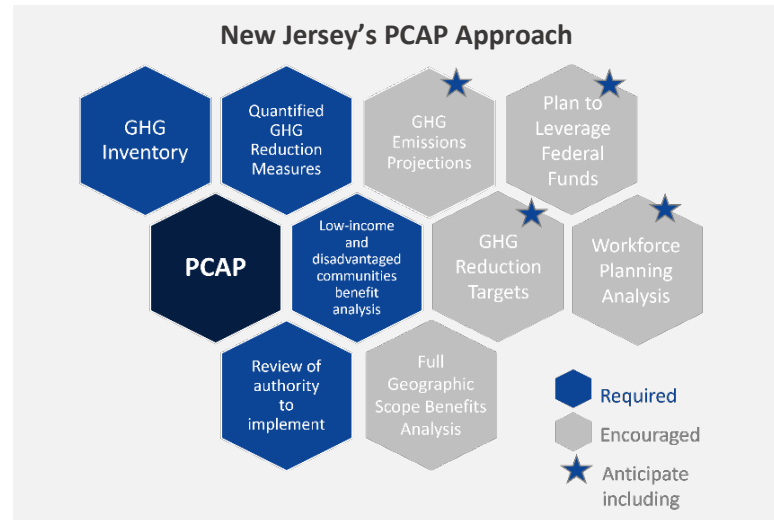
*New Jersey will also coordinate with other states in the development and implementation of zero-emission vehicle, building, and other emissions reduction strategies, including but not limited to pursuing regional modeling, harmonized programs, and complementary policies through multi-state forums facilitated by NESCAUM, such as the ZEV Task Force, the Mobile Sources Committee, the Stationary and Area Sources Committee, and the Building Electrification Task Force.

DELIVERABLES DEVELOPMENT PROCESS

Key Deliverable #1: Priority Climate Action Plan

PCAP Development Approach

NJDEP, in close collaboration with OCAGE and BPU, will spearhead the development of the PCAP. The PCAP will be created utilizing both in-house resources and targeted contractor support. The PCAP will focus on emissions from the major sources of greenhouse gases in New Jersey: transportation, electric generation, buildings, food waste, and halogenated gases. Additionally, the PCAP will address opportunities to maximize carbon sequestration through the state's natural working lands. Pathways for net greenhouse gas reduction and carbon sequestration will be derived from the 2019 Energy Master Plan and the 80x50 Report, which collectively outline statewide emission reduction pathways across all sectors of the economy. The list of strategies to be included in the PCAP will flow from these pathways and be informed by extensive interagency and public stakeholder engagement with environmental justice organizations, overburdened communities, tribes, and local governments. The PCAP will propose new programs and expand and enhance existing greenhouse gas reduction programs in the state, such as the It Pay\$ to Plug In grant program, Charge Up New Jersey, eMobility grants for electric car-sharing and ride-hailing services, diesel vehicle and equipment electrification grants, New Jersey Zero Emission Incentive Program, EV Tourism grants, Community Energy Plan Grant Program, Whole House Pilot Program, Commercial Property Assessed Clean Energy Program, and the Natural Climate Solutions grant program. The PCAP will focus on near-term, high-priority measures aligned with environmental justice priorities.



As a state that has been adopting and implementing emission standards for mobile sources for over a decade, New Jersey will consider additional greenhouse gas and zero emissions standards for the transportation sector as part of the PCAP and will rely heavily on multi-state forums facilitated by NESCAUM to inform such work.

Greenhouse Gas Inventory

The PCAP will incorporate the most recent statewide greenhouse gas inventory. Since 2008, NJDEP has regularly released an [inventory](#) to document its greenhouse gas emission reduction progress. This inventory uses a scope and framework consistent with international and national greenhouse gas inventory practices. The inventory provides estimates of anthropogenic greenhouse gas emissions within New Jersey and those associated with imported electricity and exported waste. Biogenic (natural) sources are not included in the inventory.

Quantification of Greenhouse Gas Reduction Measures

To quantify greenhouse gas and co-pollutant emission reductions associated with the PCAP, NJDEP will develop a methodology and aim to complete the analysis by December 2023. The methodology will likely rely on modeling previously performed for the 2019 EMP, the 80x50 report, and the RGGI strategic funding plans. For the 2019 EMP, the State undertook integrated energy modeling, using a bottom-up stock rollover model of all energy using technologies in the economy, called EnergyPATHWAYS, and a capacity expansion model of energy supply investments and operations, to determine the least cost way of serving New Jersey's changing energy needs. For the non-energy sectors, the Department developed in-house models to support pathways analysis in the 80x50 report and to quantify emission benefits from RGGI investments. One new part-time staff person will join the Department to support PCAP methodology development and analysis.

Analysis of Low-Income and Disadvantaged Communities Benefits

The LI-DC benefits analysis will be performed by Rutgers University Climate Change Resource Center. The analysis will likely incorporate co-pollutant reductions, impacts to health, workforce impacts, energy burden impacts, and climate resiliency. New Jersey will use the definition of overburdened communities in its Environmental Justice Law, [N.J.S.A.](#)

[13:1D-157](#). Rutgers will develop a methodology and approach by Fall 2023. Rutgers plans to utilize a cross-disciplinary team, composed of professionals from the Heldrich Center for Workforce Development, Bloustein School of Planning and Public Policy, and the Business School.

Review of Authority to Implement and Plan to Leverage Federal Funds

The review of authority to implement and identification of applicable federal funds will be performed simultaneously with the identification of priority climate actions. New Jersey State in-house counsel will evaluate existing statutory and regulatory authority to implement priority climate actions and will work with other state and local governments to do the same. Additionally, NJDEP will continue to research other funding opportunities under programs such as the Inflation Reduction Act, the Infrastructure Investment and Jobs Act, and other climate grant programs. New Jersey will continue to develop plans to effectively leverage federal funding to fill gaps in state funding and create incentives that effectively move key market segments forward.

Other Recommended Elements

New Jersey's PCAP, to the extent practicable, will incorporate greenhouse gas emission reduction targets and projections from previous modeling and climate planning documents. To the extent that time permits, the Department will utilize the Rutgers University Climate Change Resource Center to perform a new workforce planning analysis for the PCAP. This work would be led by the Heldrich Center for Workforce Development and informed by the [2022 New Jersey Green Jobs Report](#), and its upcoming phase two workforce analysis addressing building energy efficiency and electrification. The Green Jobs Report serves as New Jersey's guide to expanding access to green jobs, increasing workforce development, and growing New Jersey's innovation ecosystem. The report projects, for example, an expected "additional 314,888 net job-years over the next 10 years based on current green policies and investments across New Jersey to date." This includes jobs in building decarbonization, inclusive of energy efficiency, renewable energy installation, and building electrification. It also includes offshore wind jobs.

PCAP Interagency and Intergovernmental Coordination

NJDEP will form a Steering Committee in the summer of 2023, to be co-chaired by NJDEP, OCAGE, and BPU, to lead interagency and intergovernmental coordination efforts for both the PCAP and CCAP. This work will build upon the state's experience in writing the 2019 EMP and 80x50 Report. As needed, working groups will be established comprised of representatives from the New Jersey Department of Community Affairs, Department of Transportation, New Jersey Transit, Economic Development Authority, Housing and Mortgage Finance Agency, Department of Labor and/or the Department of Agriculture. A series of topically-focused meetings will occur to build consensus around priority recommendations. The NJDEP will also organize feedback from relevant internal offices, such as the Office of Environmental Justice, Science and Research, Parks and Forestry, and Fish and Wildlife, utilizing its existing coordination meetings. The NJDEP will create a shared electronic repository for background materials and working draft documents via our Microsoft Teams software.

In 2022, NJDEP "soft launched" a Climate County Initiative to engage New Jersey's 21 counties in climate mitigation action. NJDEP will utilize this existing initiative to engage the counties on the PCAP beginning with a new survey to solicit information on the status of the counties' existing infrastructure inventories and greenhouse gas emissions activities. It will also assist in the identification of climate actions for state and county collaboration for the PCAP, CCAP, and other outside efforts. In the fall of 2023, a series of county-focused outreach meetings, engaging the northern, central, and southern counties of the state, will be held, and the MPOs will be invited. Finally, in-depth informational interviews with the counties will be held to tackle specific implementation hurdles and identify associated solutions.

In 2019, BPU established a Community Energy Plan Grant (CEPG) Program to provide support to municipalities to plan and implement the goals laid out in the 2019 EMP. The program utilizes ratepayer funds to provide financial assistance to municipalities to identify needs and develop [Community Energy Plans](#) at the local level. The program has since expanded to offer technical assistance and higher levels of financial assistance to low and moderate income and overburdened communities with the aim of removing barriers to participation. The PCAP will leverage the outreach, stakeholdering, and framework of this existing initiative to identify greenhouse gas emissions activities and seek to provide an inclusive, holistic approach towards the implementation phase of the CPRG.

NJDEP has a longstanding relationship with municipalities in the state through: (1) its dedicated Office of Local Government; (2) ongoing coordination efforts with the New Jersey League of Municipalities; and (3) nonprofit Sustainable Jersey serving New Jersey municipalities. The Department, in partnership with OCAGE and BPU, will host a series of virtual events and as time allows, 1 on 1 meetings with key municipalities and supporting organizations in the state to inform PCAP development. These events will occur over the fall of 2023. Outreach efforts will focus in part on the 45 communities who have received funding via the CEPG to develop Community Energy Plans. Additionally, New Jersey will conduct regular meetings with the relevant MPOs and MSAs to ensure coordination throughout the development of the climate action plans. The NJDEP will hire one staff person to directly support this outreach, along with the public and stakeholder engagement discussed below.

The Department will post the PCAP on its Climate Change [Website](#), circulate it via the climate change listserv and local government officials' listserv, and develop a social media campaign to promote its publication to ensure that all potential implementers are aware of it. The social media campaign will be shared across partnering state agencies to ensure wide dissemination across the state. Additionally, the Steering Committee will host a webinar to announce its publication in March 2024.

PCAP Multistate Collaboration Including Greenhouse Gas and Zero-Emission Standards for Mobile Sources and Buildings

New Jersey will collaborate with states in the region through the NESCAUM ZEV and Building Electrification Task Forces on elements of the PCAP. This may include, for example, regional collaboration on vehicle and building-related emissions inventories, air quality and health benefits modeling for vehicle and building-related CO₂ and criteria emissions, identification of high-priority greenhouse gas reduction measures and associated benefits analysis for the vehicle and buildings sectors, and assessment of funding opportunities to support PCAP objectives.

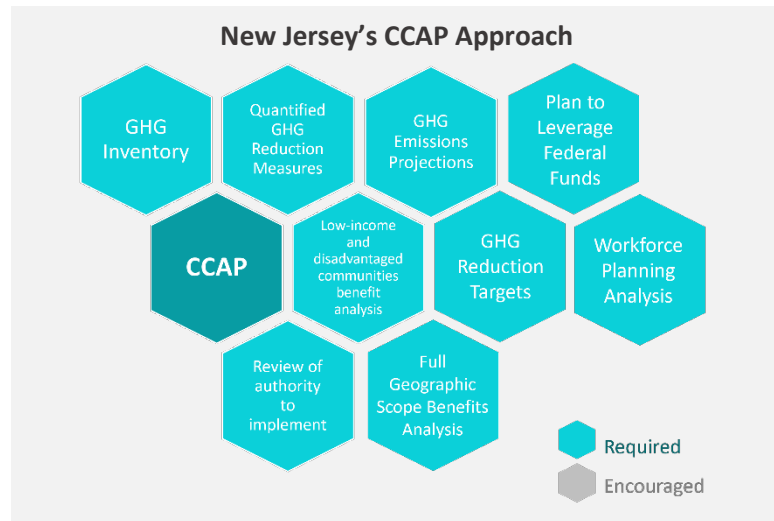
PCAP Public and Stakeholder Engagement

New Jersey will host a series of public workshops and listening sessions to support the development of the PCAP and project ideas for the Notice of Funding Opportunity expected to be issued by USEPA in the fall of 2023. To ensure climate action planning is an inclusive, collaborative process with input from a diverse stakeholder network, the Department proposes to conduct stakeholder engagement using a mix of in-house resources and external trusted leaders and partners. Employing individuals, programs, or organizations with established convening power will facilitate more productive exchanges, build consensus for credible solutions, and effectively inform policy making. The Department will issue subawards for topic-based outreach to support this approach. To identify LI-DC communities and ensure their voices are heard during stakeholder engagement, the NJDEP will consider the partners' first-hand experience and utilize multiple data sources, such as the New Jersey Environmental Justice Mapping, Assessment and Protection Tool ([EJMAP](#)), the federal [Climate and Economic Justice Screening Tool](#), and EPA's [Environmental Justice Screening and Mapping Tool](#).

The Department will also develop digital engagement tools to incorporate flexible online engagement opportunities and ensure that interested parties can provide comments outside of meeting attendance. This will include a dedicated webpage, comment submission form, and survey tool for deeper engagement. Engagement activities will take place beginning the fall of 2023.

Key Deliverable #2: Comprehensive Climate Action Plan Development Approach

NJDEP, in close collaboration with OCAGE and the BPU, will spearhead the development of the CCAP. The CCAP will be created utilizing both in-house resources and targeted contractor support. The CCAP will be based on the 80x50 Report, addressing all seven major sectors of the state's economy: transportation, buildings, electric generation, industry, waste and agriculture, short-lived climate pollutants (emissions associated with halogenated gases and methane from natural gas transmission and distribution), and carbon sequestration by agricultural croplands, grasslands, forests, wetlands, salt marshes, and developed lands. The pathways and strategies for the energy sectors will align with the goals of the 2024 Energy Master Plan (EMP 2024), which is currently under development. The 2024 EMP will deliver cost-effective clean energy and climate mitigation policies to create resilient and sustainable communities. The stakeholder engagement process for the 2024 EMP is planned to begin in the fall of 2023, followed by data-driven modeling at the end of 2023 that will include the impacts of the federal incentives from the Bipartisan Infrastructure Law and Inflation Reduction Act. Further, the CCAP will thematically connect to the priorities and outputs of the New Jersey Clean Buildings Working Group, BPU's Buildings Decarbonization Start-up program, the Future of Natural Gas Utility Report, New Jersey RGGI funding plans, the New Jersey Green Jobs for a Sustainable Future report update, NJDEP's Food Waste Reduction Plan, NJDEP's Greenhouse Gas Monitoring and Reporting Rule, New Jersey's EV Law, the Partnership to Plug-In, transportation electrification rules such as the Advanced Clean Truck rule, the NJDEP's Natural Working Lands Strategy, and any laws and rules issued subsequent to submittal of the PCAP.



The stakeholder engagement process for the 2024 EMP is planned to begin in the fall of 2023, followed by data-driven modeling at the end of 2023 that will include the impacts of the federal incentives from the Bipartisan Infrastructure Law and Inflation Reduction Act. Further, the CCAP will thematically connect to the priorities and outputs of the New Jersey Clean Buildings Working Group, BPU's Buildings Decarbonization Start-up program, the Future of Natural Gas Utility Report, New Jersey RGGI funding plans, the New Jersey Green Jobs for a Sustainable Future report update, NJDEP's Food Waste Reduction Plan, NJDEP's Greenhouse Gas Monitoring and Reporting Rule, New Jersey's EV Law, the Partnership to Plug-In, transportation electrification rules such as the Advanced Clean Truck rule, the NJDEP's Natural Working Lands Strategy, and any laws and rules issued subsequent to submittal of the PCAP.

Greenhouse Gas Inventory

In support of the CCAP, the Department will refine its existing greenhouse gas inventory by improving inventory methods for estimating land-based sources and sinks of greenhouse gases which will play a critical role in achieving our climate mitigation goals. Refinement of the natural working land inventory will inform policymaking, program management, and tracking of long-term performance. Further, this work will complement the Department's Natural Working Land Strategy and oversight of over 800,000 acres of natural lands in the state. This work will evaluate the existing inventory method and develop a New Jersey specific methodology and potentially new tools for assessing the state's baseline to present data. The new methodology and tools could apply land use and land cover data, Forest Inventory and Analysis (FIA) data, cutting edge models (such as COMET Planner) and field study data to refine state-specific soil and biomass estimates. Tools developed could also explore scaling down the data to assist in project prioritization. The Department anticipates taking this out to bid for a contract in early 2024.

Quantified Greenhouse Gas Reduction Measures, Projections and Targets

To quantify greenhouse gas emission reductions associated with the CCAP, the Department will revise the methodology previously developed for the PCAP. The new methodology may rely on the updated integrated energy modeling performed in support of the 2024 EMP. Furthermore, NJDEP will develop an economy-wide energy model for New Jersey, to be maintained in-house. With a rapidly changing policy, regulatory, and market landscape transforming the energy sector, there is a need for robust energy modeling to support policy development, implementation, and progress tracking. New Jersey will customize a model such as the [Energy Policy Simulator](#) model; post a public-facing, interactive version of the customized model on the Web; and revise the input data as new information becomes available and as policy decisions are made. This model will be programmed to align with the outputs and assumptions of any modeling performed in support of the 2024 EMP. Work on this model will be complete by early 2025. Greenhouse gas projections and targets for the energy sectors will be derived from the 2024 EMP, and NJDEP will revise and update its modeling for the non-energy sectors originally used for the 80x50 report. As noted in the PCAP approach above, one new part-time staff person will support this work.

Low-Income and Disadvantaged Communities Benefits, Full Geographic Scope Benefits Analysis, and Workforce Analysis

The LI-DC benefits and the full geographic scope benefits analysis will be performed by the Rutgers University Climate Change Resource Center. Similar to the PCAP, the analyses will likely incorporate measures of co-pollutant reductions, impacts to health, workforce impacts, energy burden impacts, and climate resiliency. New Jersey will identify overburdened communities using definitions in the Environmental Justice Law, [N.J.S.A. 13:1D-157](#), as well as the information collected during the PCAP stakeholder engagement process. A Rapid Health Impact Assessment will also be developed to qualitatively assess the health equity outcomes anticipated as a result of full implementation. Rutgers will develop a methodology and approach for New Jersey's review by the last quarter of 2024. Rutgers plans to utilize a cross-disciplinary team, composed of professionals from the Heldrich Center for Workforce Development, Bloustein School of Planning and Public Policy, and the Business School. The quantification of benefits will be finalized by the first quarter of 2025 for incorporation in the CCAP.

Review of Authority to Implement and Plan to Leverage Federal Funds

The review of authority to implement strategies, and identification of applicable federal funds, will be performed simultaneously with the identification of comprehensive greenhouse gas and co-pollutant emission reduction strategies. In-house counsel will evaluate existing statutory and regulatory authority to implement those actions and will work with other state and local government agencies to do the same. Additionally, NJDEP will continue to research other funding opportunities under programs such as the Inflation Reduction Act, the Infrastructure Investment and Jobs Act, and other climate grant programs. New Jersey will continue to develop plans to effectively leverage federal funding to fill gaps in state funding and create incentives to effectively move key market segments forward.

CCAP Interagency and Intergovernmental Coordination

NJDEP, in partnership with OCAGE and BPU, will reconstitute the steering committee from the PCAP to coordinate interagency and intergovernmental efforts for the CCAP. As discussed in the PCAP approach, working groups will be formed as needed to dialogue with representatives from the New Jersey Department of Community Affairs, Department of Transportation, New Jersey Transit, Economic Development Authority, Housing and Mortgage Finance Agency, and/or the Department of Agriculture. A series of topically-focused meetings will occur to build consensus around priority recommendations and to identify funding opportunities and implementation challenges. The NJDEP will also organize the collection of feedback from relevant internal offices, such as the Office of Environmental Justice, Science and Research, Parks and Forestry, and Fish and Wildlife, utilizing its existing monthly coordination meetings. The NJDEP will create a shared electronic repository for background materials and working drafts documents via our Microsoft Teams software.

The County Climate Initiative by this time will be supporting the counties in climate pollutant reduction work. NJDEP will have established an ongoing relationship with the counties through a standing working group and expects most counties will have applied for implementation funding for strategies identified in the PCAP.

Municipal engagement for the CCAP will be done in partnership with the New Jersey League of Municipalities, the municipal nonprofit Sustainable Jersey, the MPOs, and relevant MSAs. This will include virtual events, cross marketing at other events, and targeted outreach to priority communities. These events will occur over the summer and fall of 2024. As noted in the PCAP, NJDEP will bring on one staff person to directly support this outreach, along with the public and stakeholder engagement discussed below.

CCAP Multistate and Regional Collaboration

New Jersey will collaborate with states in the region and across the country on elements of the CCAP through NESCAUM-facilitated forums such as the Multi-State ZEV Task Force, Building Electrification Task Force, Stationary and Area Sources Committee, and Mobile Sources Committee. This may include, for example, identification of greenhouse gas reduction measures and associated air quality and health benefits modeling for the vehicle and building sectors, as well as community impact analyses and workforce planning. Regional strategies may include, for example, developing regional charging networks for light-, medium-, and heavy-duty vehicles, drafting model rules and technical support documents for building appliance emission standards, advancing regionally aligned policies and program designs for equitable zero-emission vehicles and buildings, and identifying funding opportunities to support CCAP objectives. Multi-state

engagement with low-income and disadvantaged communities may take place, for example, through a NESCAUM-organized Environmental Justice Advisory Group to the Building Electrification Task Force.

CCAP Public and Stakeholder Engagement

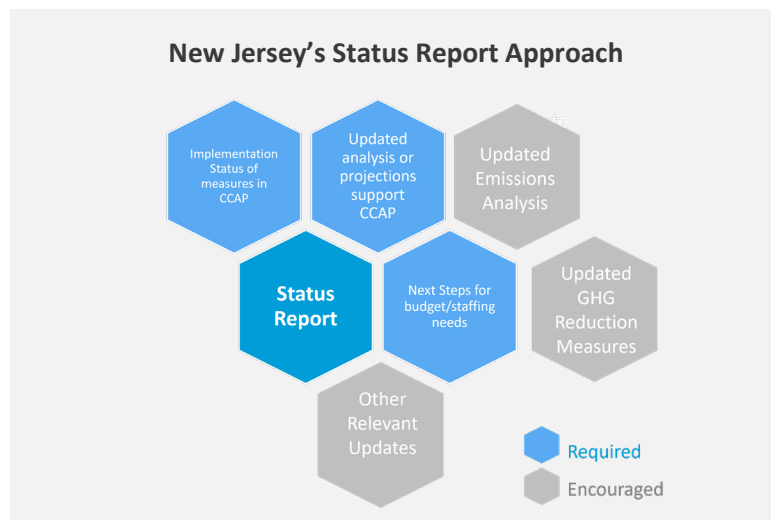
To ensure robust stakeholder engagement for the CCAP, the process outlined in the PCAP will be largely replicated in the second half of 2024 to inform the development of the CCAP.

The Department, in partnership with OCAGE and BPU, will also host a series of workshops and listening sessions to gather public input. Further, as digital technologies continue to define and redefine civic engagement, there is a significant opportunity to leverage these technologies for effective climate action. The Department would like to build upon its previous digital engagement efforts for the 2023-2025 RGGI Strategic funding plan to inform the CCAP. In the summer of 2022, the Department released Your Climate Solution Ideas, an online voting tool that allowed users to prioritize climate mitigation actions and submit their own ideas. Over 241,000 votes were collected from approximately 6,000 New Jerseyans across the state. The Department will explore releasing a similar tool and a supporting social media campaign to reach citizens across New Jersey and engage them in climate action.

Key Deliverable #3: Status Report

Development Approach

The Status Report will document the collection of the data and lessons learned from the PCAP and CCAP, particularly from the stakeholder engagement, interagency coordination, technical analyses, and technical assistance, as they have been provided to stakeholders such as local governments, overburdened communities, and tribes. The report will include the implementation status of the quantified greenhouse gas emissions reduction measures for the seven sectors addressed in the CCAP. It will include relevant updates to the LI-DC benefits analysis, full geographic and population scope benefits analysis, workforce planning analysis, review of the authority to implement, intersection with other funding availability, and next steps regarding future budgeting and staffing needs. The Status Report will be informed by the metrics and reporting framework currently under development for tracking climate mitigation efforts in the State. The Department will consult with key state agencies and a range of statewide implementors to design a system for collecting relevant data to inform the Status Report. The Department will also explore developing a simplified public dashboard for communicating status updates and implementation results.



Greenhouse Gas Inventory and Implementation Status of Reduction Measures

By the summer-fall 2027 due date for the Status Report, NJDEP expects to have a refined greenhouse gas inventory, through at least 2024 or 2025, that incorporates improved methods for estimating land-based sources and sinks of greenhouse gases. As noted above, the Department is committed to releasing an inventory annually and will continue to update this report in line with international and national best practices. Starting in the spring of 2026, the Department will also consult with key state agencies and a range of statewide implementors to design a system for collecting relevant data to track the implementation status of each proposed greenhouse gas reduction measure. This work will build off progress reporting currently under development and NJ Executive Order 316, which charges the BPU with developing annual progress reports for building decarbonization.

Updated Low-Income and Disadvantaged Communities Benefits, Full Geographic and Population Scope Benefits, and Workforce Planning Analyses

Starting in the spring of 2026, the Department will evaluate the CCAP to determine if any relevant updates are needed for the LI-DC benefits, full geographic scope, or workforce planning analyses. The Department will utilize its in-house resources, existing modeling, and tools to update specific projections or analyses.

Updated Review of Authority to Implement and Intersection with Other Funding Availability

While initial analyses of authority to implement will have been completed by the time of the Status Report, legislative and regulatory changes at the federal and state levels are ongoing. As a result, a fresh review of authority to implement and identification of applicable federal funds will be performed with the support of in-house counsel starting in the fall of 2026. The Department, in partnership with OCAGE and BPU, will also work to identify potential funding availability at this time via their ongoing coordination meetings.

Next Steps/Future Budget/Staffing Needs

The Status Report will include an evaluation of the funding spent through this grant opportunity such as for the additional part-time and full-time staff proposed in the budget, below, and the funds spent on the multiple technical analyses required for the PCAP and CCAP. NJDEP, in collaboration with the BPU and OCAGE, will conduct this evaluation along with an assessment of future funding and staffing needs to continue to implement and expand upon those PCAP and CCAP emission reduction measures that were most successful. This will occur in late 2026 and early 2027.

Status Report Interagency and Intergovernmental Coordination

NJDEP, in partnership with OCAGE and BPU, will coordinate with previous intra-agency, interagency, and intergovernmental partners to report on the implementation of climate pollution reduction measures. The County Climate Initiative by this time should have succeeded in helping counties implement climate pollution reduction measures, thus allowing quantitative and qualitative assessments of those measures for the Status Report. Municipal engagement channels will now be well established and will be utilized to generate data and narrative for the Status Report.

Status Report Multistate and Regional Collaboration

New Jersey will collaborate with states in the region and across the country through NESCAUM-facilitated forums to identify next steps and funding opportunities to continue implementation of the CCAP through collaborative multistate projects. This includes, for example, developing regional charging networks for light-, medium-, and heavy-duty vehicles; collaborating regionally on policies such as appliance emission standards, building energy performance standards, and clean heat standards; drafting model rules and technical support documents for building appliance emission standards; conducting regional modeling on air quality and health benefits; and implementing other regionally aligned policies and program designs for equitable zero-emission vehicles and buildings.

Status Report Public and Stakeholder Engagement

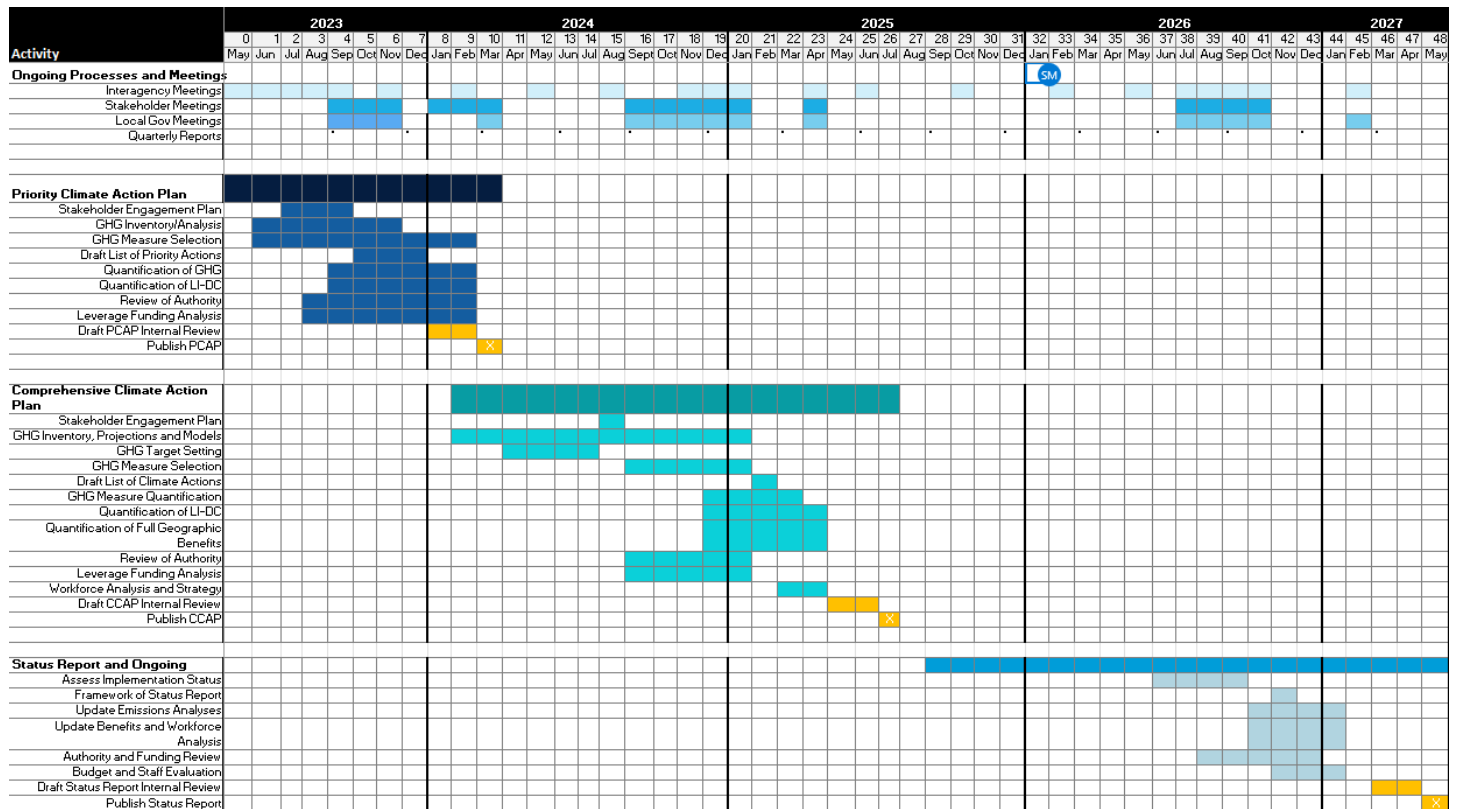
NJDEP, OCAGE, and BPU will query previously engaged environmental justice organizations and networked leaders to gather quantitative and qualitative updates on the status of PCAP and CCAP implementation. Additional polling along the lines of the previously mentioned, Your Climate Solution Ideas online tool, may be used.

ENVIRONMENTAL RESULTS, OUTPUTS, AND OUTCOMES

-- Short-term (2023 – 2025) --		
Outputs	Outcomes	Performance Measures
Stakeholder engagement	Improved public knowledge of climate mitigation opportunities, expressed areas of local concern, catalyzation of community action on climate mitigation, enhancement of community trust	Number of groups and individuals participating in PCAP and CCAP development, results from contractor engagement with overburdened communities
Interagency, intergovernmental, and multistate collaboration	Improved state capacity to implement effective greenhouse gas reduction policies and strengthening of partnerships at the state and local levels	Participation in interagency and relevant regional working groups, development of model rules, technical support documents, and regional policies and guidance to reduce greenhouse gas emissions

Quantification of GHG and co-pollutants in the PCAP and CCAP	Estimated potential GHG and co-pollutant reductions from PCAP and CCAP implementation	Analysis and data inclusion in plans
Quantification of LI-DC benefits in the PCAP and CCAP and quantification of full geographic and population impacts in CCAP	Estimates of potential job training and creation, improved resiliency, energy savings, and associated health benefits. Determination of compliance with Justice 40	Analysis and data inclusion in plans
Quarterly performance progress reports to EPA		Completed/submitted quarterly reports once each season
PCAP document	Reduction of tons of GHG and co-pollutants	Submission of PCAP to EPA
CCAP document	Reduction of tons of GHG and co-pollutants	Submission of CCAP to EPA
-- Long-term (2026 – 2027+) --		
Outputs	Outcomes	Performance Measures
Updated LI-DC benefits, full geographic and population scope benefits, and workforce analysis	Updated estimates of GHG and co-pollutants reduced, potential jobs created, increased climate resilience, reduced health risks	Annual and/or triennial inventories measuring GHG and co-pollutant emissions
Evaluate next steps, budget, and staffing needs		Identification of needs in status report
Status Report	Improved long-term implementation of GHG reduction measures	Submission of Status Report to EPA
Final Report for grant	Reduction of tons of GHG and co-pollutants	Submission of Final Report to EPA

SCHEDULE



REPORTING

New Jersey will develop and submit the required quarterly performance progress reports and a final report. NJDEP, in collaboration with the BPU and OCAGE, will draft these reports including the status of our work under this grant; for example, stakeholder engagement, selection of priority greenhouse gas emissions reductions measures, and LI-DC benefits analyses. The three collaborating agencies will include information on the progress of the work; any challenges encountered; funding spent; preliminary data results such as from the LI-DC analyses; upcoming contracts and in-house work; and relevant personnel changes.

TECHNICAL ASSISTANCE FORUMS

New Jersey is interested in being a part of the Technical Assistance Forums that EPA plans to organize on key topics, in particular: leveraging funding from other federal, state, and private sector sources; sector-based strategies; and workforce development.

BUDGET NARRATIVE

The budget, shown in the table below, includes three main categories of proposed spending totaling \$3,000,000: (1) stakeholder engagement (\$669,999); (2) technical analysis regarding the LI-DC benefits, workforce development planning, full geographic and population benefits analysis, greenhouse gas quantification, and related work (\$922,429); and (3) technical assistance to implementers (\$1,407,571.84).

Stakeholder coordination includes hiring one full-time temporary staff person to manage and administer stakeholder and interagency outreach and related contracts (line 1). To support NJDEP's in-house efforts, funding is allocated for a contract for translation services (line 2). NJ will issue subawards for stakeholder engagement particularly focused on LI-DC (line 3). Finally, to support NJDEP's in-house efforts, funding is allocated for space rentals for stakeholder outreach (line 4), and digital engagement tools to help ensure broad community involvement in the development of the strategies and measures (line 5).

Technical analyses include funding to address the significant technical requirements of the CPRG. The funding allocations include hiring one part-time climate mitigation specialist to NJDEP to support methodology development and greenhouse gas and co-pollutant quantification for the climate action plans (line 6). This staff person will also consult on and oversee contracts for the LI-DC, workforce, and other analyses. This position will supplement existing, in-house state resources. NJ will issue subawards for the workforce planning, LI-DC benefits, and full geographic/population benefits analyses (line 7). These analyses may focus on the projected air quality and health benefits to communities, energy cost reductions, climate resilience benefits, and forecasting of workforce supply and demand needs. Funding is also included for the development of an economy-wide energy model for the state to be maintained in-house (line 8). Finally, NJ will use funding for a contract to refine the existing NJ greenhouse gas inventory methodology for land-based sources and sinks of greenhouse gases, including developing a New Jersey-specific tool that would refine state-specific soil and biomass estimates connected to the State's natural working lands strategy (line 9).

Technical assistance to implementers of the greenhouse gas and co-pollutant emissions reduction measures maximizes the probability that strategies included in the PCAP and CCAP will be successfully implemented and, accordingly, includes allocations for three subcategories. The first is a series of sector-specific contracts to assist fleet and building owners with zero-emission vehicle adoption and building decarbonization (line 10). This funding includes targeted outreach and technical assistance to those who may be good candidates for future state or federal funding. Next is funding allocated for the development of public-facing greenhouse gas and co-benefit quantification tools such as an inventory tool or a local entities' scenario planning tool (line 11).

The funding will also be used for one new staff person to serve as a climate mitigation grant coordinator (line 12). In line 12, the 23% salary additive rate represents the prorated percentage of charges attributable to NJDEP employees' compensation during periods of authorized absences from the job. This is for such absences including, but not limited to the following: vacation time, administrative leave, compensatory time, sick leave, holiday time, emergency or early closing, jury duty, absent with pay, injury in the line of duty (SLI), and military allowance with pay. The calculation for the salary additive is the sum of the compensated authorized absences divided by the net Department regular salary for a given fiscal year. The net Department regular salary is calculated by subtracting an employee's compensated authorized absences from the Department regular salary. The actual rate has exceeded 23.00% since 1994. NJDEP has used the conservative rate of 23.00% for salary additive costs effective with FY 2004.

EPA's guidance indicates that it is considering administering IRA § 60105(g), "Greenhouse Gas and Zero-Emission Standards for Mobile Sources," a \$5 million grant program for states that are adopting and implementing such standards pursuant to Clean Air Act (CAA) Section 177, under the CPRG program. If EPA chooses this approach, New Jersey intends to utilize such funding to collaborate with other Section 177 states and California through the Mobile Sources Committee facilitated by NESCAUM. This may include, for example, developing and maintaining compliance reporting tools for greenhouse gas and ZEV standards that take into account the needs of Section 177 states, and utilizing the NESCAUM Mobile Sources Committee to support Section 177 state adoption and implementation of greenhouse gas and ZEV standards and amendments thereto.

		Year 1	Year 2	Year 3	Year 4
		(PCAP)	(CCAP)	(CCAP)	(Progress Report)
Stakeholder Engagement					
	Contractual				
1	Outreach Coordinator	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
2	Translation Services	\$4,999.00	\$5,000.00	\$5,000.00	\$5,000.00
	Other				
3	Stakeholder Engagement Subawards	\$60,000.00	\$150,000.00		
4	Space Rental fees	\$5,000.00		\$5,000.00	
5	Digital Engagement Tools	\$10,000.00	\$10,000.00	\$5,000.00	\$5,000.00
	Annual Totals	179,999.00	\$265,000.00	\$115,000.00	\$110,000.00
	Total, Stakeholder Engagement:	\$669,999.00			

		Year 1	Year 2	Year 3	Year 4
		(PCAP)	(CCAP)	(CCAP)	(Progress Report)
Technical Analyses (LI-DC, WFP, GHGs)					
	Personnel				
6	Climate Specialist (hourly)	\$51,000.00	\$51,000.00	\$51,000.00	\$51,000.00
	7.65% Fringe Benefits	\$3,901.50	\$3,901.50	\$3,901.50	\$3,901.50
	19.50% Indirect Rate	\$10,705.79	\$10,705.79	\$10,705.79	\$10,705.79
	Other				
7	Workforce Planning, LI-DC and Full Geographic Benefits Analysis Subaward	\$200,000.00	\$200,000.00		
8	Energy Sector Modeling Subaward		\$135,000.00		
9	GHG Inventory Improvements Subaward		\$125,000.00		
	Annual Totals	\$265,607.29	\$525,607.29	\$65,607.29	\$65,607.29
	Total, Technical Analysis:	\$922,429.16			

		Year 1	Year 2	Year 3	Year 4
		(PCAP)	(CCAP)	(CCAP)	(Progress Report)
Technical Assistance to Implementers					
	Contractual				
10	Sector Specific Technical Assistance Programs		\$360,000	\$297,596.64	
11	Public Facing Quantification Tools	\$50,000.00	\$50,000.00	\$50,000.00	
	Personnel				
12	Funding Coordination and Program Development (FTE)	\$60,580.00	\$60,580.00	\$60,580.00	\$60,580.00
	23% Salary Additive	\$13,933.40	\$13,933.40	\$13,933.40	\$13,933.40
	68.45% Fringe Benefits	\$51,004.42	\$51,004.42	\$51,004.42	\$51,004.42
	19.50% Indirect Costs	\$24,475.98	\$24,475.98	\$24,475.98	\$24,475.98
	Annual Totals	\$199,993.80	\$559,993.80	\$497,590.44	\$149,993.80
	Total, Technical Assistance:	\$1,407,571.84			
GRAND TOTAL, BUDGET		\$3,000,000.00			