

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 4483**

# **STATE OF NEW JERSEY**

DATED: DECEMBER 12, 2022

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4483 (1R).

This bill provides for a comprehensive study of the State's ocean energy potential and requires the State's clean energy plans to be updated to incorporate new goals related to the generation of wave and tidal energy, which are both forms of clean energy derived from ocean resources.

Specifically, the bill requires the Board of Public Utilities (BPU) to solicit and approve an application for the implementation of one pilot wave and tidal energy project. Under the bill, data associated with this project would be used to prepare a comprehensive study and written report concerning the use of wave and tidal energy.

Within 12 months after the completion of the pilot project, the BPU and the Department of Environmental Protection (DEP) would be required to commence a comprehensive study to evaluate the feasibility and benefits of using wave and tidal energy as forms of clean energy in the State. In this study, the BPU and DEP would be required to evaluate various factors related to the increased use of wave and tidal energy in the State, including: (1) the actual and potential impacts of increased wave and tidal energy usage; (2) the feasibility and desirability of establishing a renewable energy credit program to encourage the development of wave and tidal energy; and (3) the feasibility and desirability of alternative incentives for the development of wave and tidal energy.

Additionally, within 15 months after the completion of the pilot project, the President of the BPU and the Commissioner of Environmental Protection would also be required to submit a written report to the Governor and the Legislature identifying the findings of the comprehensive study and providing recommendations for legislative, executive, and other actions that can be taken to promote the development of wave and tidal energy technologies, infrastructure, and facilities in the State. Among other things, the report would be required to include a strategic plan for the deployment of wave and tidal energy technologies, infrastructure, and facilities in the State. The strategic plan would identify, at a minimum, specific wave energy generation goals, tidal energy generation goals, or both, in megawatts,

that the State should endeavor to meet by 2030, 2040, and 2050, in order to ensure the timely and effective deployment of wave and tidal energy technologies and the sufficient incorporation of wave and tidal energy into the State's energy portfolio. Based on the recommendations of this report, the BPU would also be required to undertake certain additional actions to promote the development of the wave and tidal energy sector.

The bill also requires the Energy Master Plan Committee to incorporate information into the Energy Master Plan regarding the wave and tidal energy strategic plan developed under the bill and, to the extent practicable, the wave and tidal energy generation goals recommended by the strategic plan.

FISCAL IMPACT:

The Office of Legislative Services (OLS) determines that this bill would result in a multi-year indeterminate State cost increase. The bill requires the BPU to solicit and approve an application for the implementation one pilot wave and tidal energy project. The BPU and the DEP are to use the collected data to prepare a comprehensive study and written report concerning the use of wave and tidal energy as forms of clean energy in the State. The Fiscal Year 2023 appropriations act provides \$500,000 for a wave and tidal energy feasibility study and pilot program.