



New Jersey Highlands Coalition

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New Jersey Board of Public Utilities
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re: **Comments on the 2011 Draft Energy Master Plan**

These comments are in addition to the testimony given at the Public Hearing at NJIT in Newark on July 26. The New Jersey Highlands Coalition represents the interests of its 58 member organizations in the protection of the water and other natural and cultural resources of the New Jersey Highlands region.

The New Jersey Highlands, as delineated in the 2004 Highlands Water Protection and Planning Act, represents approximately 1/6 of the land mass of New Jersey. Yet it provides supplies of clean water to more than half of the State's population and a large segment of its food & beverage, pharmaceutical and power generation industries. To those industries that rely on a plentiful supply of clean water, New Jersey provides a location with a competitive advantage because the cost of water is the fourth lowest in the nation¹. As long as the watersheds of the New Jersey Highlands are able to maintain the sensitive ecologies that naturally filter water, and without requiring the high costs of water treatment, New Jersey will continue to enjoy this benefit. The 2011 Draft Energy Master Plan (Draft EMP) promotes energy infrastructure that directly threaten the ecological functions of the Highlands watersheds.

The 2008 EMP discouraged new and expanded HV transmission lines because it recognized that they are expensive to build and maintain, increase the costs of peak demand energy and rely heavily on out of state coal-fired energy sources. Imported coal-fired energy significantly impacts New Jersey's health and its environment and directly conflicts with our goals to reduce greenhouse gases. The Draft EMP, however supports the expansion of HV transmission lines and views the Susquehanna – Roseland Transmission 500kV as necessary to address reliability issues, despite mounting evidence that it is not needed². The Draft EMP in fact, impatient with the thoughtful process required under the federally mandated NEPA review, which is underway for the project's crossing of the Delaware Water Gap

¹ United States EPA, 2006 Community Water Survey

² The Draft EMP discusses the unanticipated (although entirely predictable) delay in the S-R project due to the NEPA review, and it quotes from PJMs 2010 RTEP to explain how PJM proposes to address the reliability problems that the project was originally proposed to solve, which was to retain the costly Hudson Unit #1 RMR. However, in the 2011 RTEP, PJM now addresses reliability issues through 2014 by Demand Response alone and retirement of Hudson Unit #1

National Recreational Area and the Appalachian Trail, properties, declares that, “The federal permitting process should be accelerated.”

The Draft EMP supports the expansion of the natural gas pipeline network. Substantial interest to drill for Marcellus Shale gas has prompted proposals for several new pipelines to transport the gas from Pennsylvania to the New York regional market and the industry is exploring using the coast of New Jersey as a hub for transporting Marcellus gas overseas. It is very troubling that the Draft EMP, which purports to meet the State’s environmental objectives in promoting safe expansion of the natural gas pipeline system while “strengthening the foundation” for “environmentally sound programs” fails to even mention that the environmental impacts from the methods needed to extract shale gas has not been fully understood and that the soundness of hydrofracturing remains highly controversial . The green light given to the industry, however, is apparent. With Tennessee Gas Pipeline’s 300-Line Expansion and Northeast Upgrade projects underway, on the day after the Draft EMP was released, Transco filed with FERC for approval for its Northeast Supply Link pipeline project through a portion of the southern Highlands.

The impacts of linear transmission projects on the fragile ecological functions of the Highlands watersheds are significant and threaten their ability to provide the State with plentiful supplies of clean water. The most valuable Highlands water sources are found in its vast unfragmented core forests. These broad swaths of natural lands are for the most part nominally protected as preserved lands under county, state or federal jurisdictions, or held by private land trusts. They are also seen as the paths of least resistance by the utility companies because individual landowners are far more demanding in negotiating terms than the State. In fact, until quite recently, the State has almost given away leases for utility projects³. Or, as we’ve seen in the Draft EMP, even advocating on behalf of PSE&G for the S-R project. This bend-over-backwards support for linear utility projects, both HV transmission lines and gas pipelines, will have costs, not benefits, associated with them that the people of New Jersey will bear.

The Highlands forests function as vast water filtration systems, protecting the integrity of vital water supplies for New Jersey. The positive correlation between forest cover and surface water quality is well documented in scientific literature. Larger forest tracts forming the core of the Highlands protect natural communities by reducing anthropogenic effects and protecting area-sensitive wildlife species⁴. The impacts of fragmentation of Highlands core forests are far greater than the area of disturbance of a proposed development project. Linear utility projects require construction staging areas and access roads that permanently compact soils and leaf cover. Habitats are altered by the introduction of sunlight and wind corridors. Invasive plant and animal species are provided new opportunities to get a foothold. Increased sedimentation from stormwater alters aquatic species habitat and river flows. The State lacks the resources to monitor restoration projects, which means restoration cannot be assured. Nor are there resources to monitor the regular maintenance of utility rights of way and the assurance

³ Leases going up for state lands, northjersey.com, August 14, 2011
http://www.northjersey.com/news/127674848_Leases_going_up_for_pipelines.html

⁴ Forest Integrity Analysis Methods and Preliminary Results, Ecosystem Management – Ecological Resources Technical Report, New Jersey Highlands Council, July, 2006.

that herbicide applications are confined to targeted areas. Rights of way are prime trails for all terrain vehicles that degrade habitat. Lacking any recognition of these impacts, the Highlands water supply will be threatened by the policies set forth the Draft EMP.

The New Jersey Energy Master Plan is meant to guide agencies of the State with a consistent vision and policy perspective. Energy policy has consequences that can enhance or degrade the environment. The Draft EMP frequently and correctly mentions the interrelationships between energy, the economy and the environment. The Draft EMP purports to uphold the State's environmental objectives, but fails to provide any definition, reference, or context as to what those objectives are. The extent that it promotes HV transmission lines and gas pipelines and the lack of regard for the environmental impacts that these projects cause suggests a perspective that favors short term gain over long term sustainability, or as it usually plays out, short term gain *at the expense* of long term sustainability. The S-R transmission project was in clear conflict with the 2008 EMP. It is consistent with the Draft EMP. The project hasn't changed, the EMP has.

In October, FERC order 1000 (RM10-23-000) will be in effect. The order requires PJM to include State energy policies as inputs into the projections it utilizes in determining future demand and the planning it undertakes to meet the demand. If the policies of the 2008 EMP were factors in the PJM RTEP, as FERC will now require, PJM would withdraw its plans to proceed with the Susquehanna to Roseland transmission line project. In the step backwards that the Draft EMP has taken, it would only be in spite of the State that PJM would do so. And it might.



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