



**TESTIMONY OF THE PJM POWER PROVIDERS GROUP (P3)
BEFORE THE NEW JERSEY ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE
IN SUPPORT OF ASSEMBLY BILL 4882: THE “NEW JERSEY NATURAL GAS
MODERNIZATION ACT”**

May 28, 2026

Chairman DeAngelo and Members of the Committee:

Thank you for the opportunity to submit testimony on behalf of the PJM Power Providers Group (P3). P3 is a non-profit organization dedicated to fostering resilient, competitive wholesale electricity markets within the PJM Interconnection footprint.¹ Our members own and operate dozens of generation facilities across the region, including New Jersey, and are responsible for ensuring that the lights stay on for tens of millions of homes and businesses.

P3 supports Assembly Bill 4882, the “*New Jersey Natural Gas Modernization Act.*” We applaud Chairman DeAngelo for introducing this forward-thinking, pragmatically balanced piece of legislation. This bill establishes a much-needed framework to modernize and expand New Jersey’s natural gas-fired generation fleet—a step that is important to safeguarding the state's grid reliability and protecting ratepayers from rising energy costs.

A Regional Reliability Challenge

As stated in the legislative findings of A4882, the PJM region is navigating an unprecedented energy reliability challenge. The region is facing a perfect storm: a rapid retirement of older, dispatchable fossil-fuel generation resources colliding with an unprecedented surge in electricity demand. This demand is driven by the intensive buildout of artificial intelligence-serving data centers, manufacturing growth, and broader electrification. When demand

¹ The views expressed in this testimony represent the views of P3 as an organization and not necessarily the views of any P3 members. For more information on P3: www.p3powergroup.com. A list of the assets P3 members own in New Jersey is attached.



outpaces supply, reliability suffers, and wholesale prices rise—burdens that fall squarely on New Jersey’s homes and businesses.

Governor Sherrill’s Executive Order 2 acknowledged this reality by declaring a State of Emergency on Utility Costs. A4882 provides the statutory tools required to operationalize that emergency response. To preserve the integrity of the grid, New Jersey needs new, highly efficient, and dispatchable natural gas-fired generation resources.

Streamlining Permitting Pathways for Critical Infrastructure

P3 strongly supports the intent of A4882 to develop and modernize natural gas plants through streamlined permitting. The 30-day completeness determinations and mandatory 60-day timelines for the Department of Environmental Protection (DEP) to act on permit modifications are the types of regulatory certainty needed to incentivize private capital investment.

Qualifying projects—whether they are upgrading existing units, uprating capacity, or deploying new, state-of-the-art turbines to replace retired infrastructure—can achieve an emissions intensity of less than 1,000 pounds of CO₂ per megawatt-hour. By replacing or bolstering older infrastructure with newer technology, New Jersey can increase its energy supply, lower overall regional emissions, and provide dispatchable power that pairs well with intermittent renewable resources like wind and solar.

The Critical Importance of Emergency Reliability Provisions

One of the most vital components of A4882 is Section 3, which establishes provisions allowing qualifying facilities to temporarily operate outside of their strict permit-specified limits during a PJM declared reliability event.

Grid reliability events—such as severe winter storms, extreme summer heatwaves, or unexpected physical disruptions to the transmission grid—require instantaneous, flexible responses from generators. In the past, strict, inflexible permitting frameworks have forced essential generators to choose between facing severe environmental penalties or shutting down when the grid needs them most.



By explicitly codifying that qualifying facilities can adjust operations to maintain system reliability during these emergencies, A4882 ensures that New Jersey's grid will not collapse during extreme weather. Crucially, the bill maintains environmental transparency by requiring facilities to report emissions data to the DEP post-event. This balanced approach protects public safety and keeps the lights on without abandoning environmental accountability.

The Remaining Hurdle: The Regional Greenhouse Gas Initiative (RGGI)

While P3 strongly endorses A4882, we must inject a note of market reality into this discussion. Even if this committee and the full legislature pass this excellent bill, New Jersey's continued participation in the Regional Greenhouse Gas Initiative (RGGI) remains a structural impediment to the actual development of new natural gas plants in the state.

RGGI imposes significant compliance costs on fossil-fuel generators within New Jersey by requiring them to purchase allowances for every ton of carbon emitted. Because PJM operates a regional dispatch market, New Jersey's RGGI-taxed gas plants are placed at a severe competitive disadvantage compared to generators in neighboring PJM states—such as Pennsylvania, Ohio, and West Virginia—that do not face these same carbon compliance costs.

As a result, even with the streamlined permitting offered by A4882, the economic headwinds created by RGGI make it exceptionally difficult for developers to secure the financing necessary to build new in-state natural gas facilities. New Jersey will continue to leak economic activity and generation capacity to neighboring states, importing the energy it needs while forcing its own ratepayers to shoulder the compliance costs. While A4882 helps the regulatory *permitting* bottleneck, the structural *economic* bottleneck of RGGI must eventually be addressed if New Jersey is to truly achieve energy independence and long-term cost stability.

Conclusion

Assembly Bill 4882 is a critical and necessary step toward restoring energy balance, reliability, and affordability to New Jersey. It acknowledges that an "all-of-the-above" energy strategy must include highly efficient, modern, and dispatchable natural gas generation.



The emergency reliability protections within the bill are essential to keeping the grid stable during times of crisis.

P3 urges this committee to favorably report A4882. We stand ready to work with the sponsor, the legislature, and the administration to ensure that New Jersey's energy infrastructure is resilient enough to power the state's economic future.

Thank you for your time and consideration.



P3 MEMBER NEW JERSEY ASSETS

AlphaGen

- Bergen - 1,245 MW (dual-fuel)
- Burlington - 168 MW (dual-fuel)
- Kearny - 456 MW (dual-fuel)
- Linden - 1,639 MW (dual-fuel)
- Sewaren 538 MW (dual-fuel)

Constellation/Calpine

- Salem Generating Station - 995 MW (nuclear) (43%)
- Cumberland Energy Center - 191 MW (dual-fuel)
- Sherman Ave Energy Center - 92 MW (dual-fuel)
- Vineland Energy Center - 4 MW (solar) Salem Generating Station - 995 MW (nuclear) (43%)

Cogentrix

- Lakewood - 280 MW (natural gas)
- Ocean Peaking – 374 MW (natural gas)

CPV

- Woodbridge Energy Center - 725 MW (natural gas)



JERA Americas

- Linden - 980 MW (gas and steam)

LS Power

- MARS Solar Facility - 2.2 MWdc (solar)
- West Deptford - 738 MW (natural gas)
- Yards Creek - 420 MW (hydroelectric)

Red Oak Power

- Sayreville - 832 MW (natural gas)

Vistra

- Sayreville CCGT - 349 MW (natural gas)