

THE LIST: 10 MOVERS AND SHAKERS WHO INFLUENCE ENERGY POLICY IN NEW JERSEY

TOM JOHNSON | MARCH 2, 2015

Energy policy in New Jersey is a moving target, constantly being refined and reworked by individuals and agencies



1. Gov. Chris Christie

Early in his tenure, Christie engineered a revamping of the state's Energy Master Plan, the document that primarily spells out the priorities for how New Jersey residents and businesses get their electricity and gas. The plan advocated increasing reliance on natural gas, developing offshore wind farms, and building more efficient and localized power plants to add resiliency to the power grid. The results have been mixed at

best. New power plants have sprung up, but without the subsidies proposed by the administration, which is good for ratepayers. No offshore wind farms have been approved. The administration and lawmakers also have diverted more than \$1 billion in ratepayers' subsidies from clean-energy programs to plug holes in the state budget, a strategy some say has hurt efforts to shift New Jersey away from fossil fuels to a clean way of producing electricity. He also pulled out of a 10-state initiative to reduce greenhouse gas emissions contributing to global climate change, calling the program a tax on utility customers.

2. Ralph Izzo

As chairman, president and chief executive of Public Service Enterprise Group, Izzo exerts enormous influence on the state's energy policies, some of which are shaped by actions taken by Public Service Electric & Gas and the company's fleet of unregulated power plants. He presides over the company at a time when the energy and utility sector is rapidly changing, a trend Izzo often talks about and is adapting strategies to accommodate the shift. PSE&G also is the most aggressive utility in promoting energy efficiency to reduce costs to customers, as well as installing solar systems. At the same time, PSE&G is embarked on a \$1.2 billion program to make its power grid more resilient to extreme storms, such as Hurricane Sandy. All of those projects and investments increase the company's revenues and profits.

3. Sen. Bob Smith

As chairman of the Senate Environment and Energy Committee, Smith has been instrumental in enacting many of the major energy bills approved by the Legislature in recent years. They include a measure to revive the state's once-thriving solar sector, which seems to have succeeded. Much more dramatic changes could be in the offing, if Smith gets his way. Probably the most dramatic would be to change the business model of the traditional utility -- no longer linking a utility's revenue to the amount of gas and electricity sold to customers, a process known as decoupling. Some clean-energy advocates say such a change is critical to promoting increased use of renewable energy and energy-efficiency projects.

4. New Jersey Board of Public Utilities President Richard Mroz

Mroz has not been at the BPU long, but he has a lot on his plate. The agency's ability to control

what customers pay on their utility bills has been greatly reduced in recent years, partly because of the deregulation of the energy and cable TV sectors. Nevertheless, bills could rise on a number of fronts, including state efforts to reduce power outages during major storms -- an undertaking that could require big investments from both electric and gas companies. The BPU, too, has little control over transmission projects and the costs imposed on ratepayers, which have risen dramatically in recent years. The agency, however, has taken a more aggressive stance when fighting proposals from both the federal government and the regional operator of the power grid that could increase costs to consumers.

5. Division of Rate Counsel Director Stefanie Brand

Brand is the primary advocate for residential and business customers on ratepayer issues, no small task in a state with some of the highest energy costs in the nation. Her office filed a petition to the BPU, arguing Jersey Central Power & Light might be earning more than the amount regulators had approved. The case, which has dragged on for years, could be settled this month or next, likely with steep cuts in bills for the utility's 1 million customers. Brand, however, has won few friends in the solar sector for her frequent comments that subsidies to support the industry should be eventually phased out. She also opposes efforts to give solarlike subsidies to promote more energy efficiency in New Jersey.

6. Senate President Stephen Sweeney

Sweeney controls what bills other senators have an opportunity to vote on. A Democrat, widely believed to be a likely gubernatorial candidate in 2017, he has been increasingly critical of some of the Christie administration's energy policies. His biggest beef is that the administration has yet to adopt crucial regulations to allow offshore wind farms along the Jersey coast. He has shown an ability to make deals with Christie, but none yet on the energy issues he seems to most care about.

7. Laurence Downes

Downes is the chairman and chief executive officer of New Jersey Resources, the owner of New Jersey Natural Gas. His company, too, has been adapting to changes in the energy sector, installing natural gas refueling stations in its territory -- a strategy that might help convert fleets to cleaner-running vehicles. The utility also has been in the forefront of efforts to convince customers to use less natural gas via a special tariff adopted by the state BPU. How successful has it been? The parent company's stock hit an all-time high early last month.

8. Steven Gabel

The president and founder of Gabel Associates, based in Highland Park, Gabel is an economist and former BPU staffer often called on to testify on energy issues before the Legislature. Soft spoken and dispassionate, he is good at boiling down the arcane details of energy policies and their impacts on consumers and markets, issues not so familiar to many lawmakers. His firm also has been successful in helping 15 towns reduce energy bills by pooling all customers together to negotiate cheaper electric bills from utilities.

9 Lyle Rawlings

A longtime proponent of solar energy, Rawlings is owner and president of a solar firm based in Flemington. The New York Times Magazine called him the founding father of renewable-energy legislation in New Jersey. He has yet to stop. A broad coalition he created is trying to convince the Legislature and Christie administration to ramp up New Jersey's goals so that 80 percent of its electricity comes from renewable energy. It is not likely to happen anytime soon, but don't expect Rawlings to give up the cause.

10. Steven Goldenberg

An attorney (also formerly with the BPU), Goldenberg represents (and founded) the New Jersey Large Energy Users Coalition, a group representing big manufacturers and pharmaceutical companies. As such, his views carry a lot of weight among policymakers seeking to reduce the state's energy costs and make it more competitive, a goal that has yet to be achieved. He served

on Christie's transition team and a special task force charged with helping develop the state's Energy Master Plan. He also has been a big advocate of legislation to promote energy efficiency to reduce those costs.

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