

To EDCs, BGS Providers and Third Party Suppliers,

**Environmental Information Disclosure (“EID”) Label  
Staff Straw Proposal and Requests for Comments  
BPU Docket No. QO18070800**

As discussed at the EY 2018 RPS Compliance Coordination meeting, attached is the Staff EID Label Straw Proposal.

Stakeholders are encouraged to submit responses to the questions and written comments. All comments must be sent by email, in Microsoft Word Format, or a format that can be converted to Word, to: [publiccomments@njcleanenergy.com](mailto:publiccomments@njcleanenergy.com). All comments must include the above referenced Caption and Docket Number in the subject line. All comments must be received on or before **August 27, 2018**. Late submissions will not be accepted. The Secretary’s Letter will be posted by **October 1, 2018** and the EID labels are due by **December 1, 2018**.

Please contact Ronald Jackson with any questions.

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**Environmental Information Disclosure (“EID”) Label  
Staff Straw Proposal and Requests for Comments – August 2, 2018  
BPU Docket No. QO18070800**

Staff is distributing this EID Straw Proposal to receive feedback from stakeholders and interested parties on the way in which BGS Providers (“BGS”) and Third Party Suppliers (“TPSs”) develop and provide EID labels according to N.J.A.C. 14:8-3.1 Environmental Information Disclosure.

On May 23, 2012, the Board approved the readoption with amendments of N.J.A.C. 14:8, Renewable Energy and Energy Efficiency. These rules were published in the June 4, 2012 New Jersey Register. The readopted portions of the rules were effective as of May 23, 2012, and the amendments became effective as of June 4, 2012, upon their publication.

N.J.A.C. 14:8-3.1, which requires the disclosure of certain environmental information regarding the means by which electricity is generated, was among the subchapters amended in the readoption. The Board found that the former environmental information disclosure rules did not reflect current conditions in the electricity market, and had proven to be overly detailed and complex.

The Board repealed the subchapter and replaced it with a significantly simpler version, which requires only the basic environmental information disclosure requirements as they appear in N.J.S.A. 48:3-87a, -87b. N.J.A.C. 14:8-3.1(a) states that the supplier/provider shall disclose this information periodically, as directed by the Board through the posting of a secretary’s letter on the Board’s website.

The rule currently reads as follows:

**SUBCHAPTER 3. ENVIRONMENTAL INFORMATION DISCLOSURE**

14:8-3.1 Environmental information disclosure

(a) Each supplier/provider shall disclose on customer bills, on customer contracts or on its marketing materials, a uniform, common set of information about the environmental characteristics of the electricity purchased by the customer. The supplier/provider shall disclose this information periodically, as directed by the Board through the posting of a secretary’s letter on the Board’s website.

(b) The disclosure required under this section shall include:

1. The fuel mix used in generating the electricity supplied, including categories for oil, gas, nuclear, coal, solar, hydroelectric, wind and biomass. If the fuel mix for particular electricity cannot practicably be determined, the supplier/provider shall include a regional average determined by the Board;
2. The air pollutants that were emitted as a result of the generation of the energy, expressed in pounds per megawatt hour, and including categories for sulfur dioxide, carbon dioxide and oxides of nitrogen. If the emissions for particular electricity cannot practicably be determined, the

supplier/provider shall include an emissions default determined by the Board; and

3. Any discrete emission reduction retired pursuant to rules adopted pursuant to P.L. 1995, c. 188.

(c) The disclosure required under this section shall be provided in a graphic format provided by the Board through a posting on its website.

Board Staff recently learned of anomalous practices among supplier/providers in the development and distribution of their EID. RECs that have been unbundled from the sale of the underlying electricity generated have been proposed for use in adjusting the fuel mix of an otherwise unrelated electricity product. Further, the supplier/providers have proposed utilizing the emissions profile from unbundled RECs to reduce the air emissions reported in an EID. Additionally, supplier/providers have objected to the disclosure practices of their competitors. Staff is interested in how supplier/providers develop and submit their label(s) to customers through answers to the following questions:

1. Does your company develop and use an environmental disclosure label that is different than the default label provided by the Board?

If you answered yes to question 1:

- a. What claims does your company make about the environmental aspects of the electricity product(s) sold?
  - b. What information do you use to develop your label and where do you get this information?
  - c. In reporting your product's fuel mix, i.e., "Energy Source", are Renewable Energy Certificates (RECs) used in the calculation of fuel mix? If so, how are the RECs incorporated into the fuel mix reported and how is this information disclosed to the public?
  - d. In reporting your product's Air Emissions, are Renewable Energy Certificates (RECs) used in the calculation? If so, how are the reported emissions calculated?
  - e. Please provide a sample of the label provided to consumers.
2. What method(s) do you use to distribute the label?
  3. Do you have an alternative method you believe would make developing and distributing this label easier? Please explain.
  4. Are the compliance instructions in the Secretary's Letter clear and understandable? How can they be improved?

Staff currently believes that supplier/providers should be prohibited from the use of unbundled RECs in their EID where the original underlying electricity generated by the renewable resource has been sold separately. Supplier/providers may only make environmental claims about electricity products that can verify use of the underlying electricity and the retirement of the RECs. Staff will be considering this position as well as the above issues through this stakeholder process in order to develop recommendations for the Board.

Stakeholders are encouraged to submit responses to the questions and written comments on Staff's Straw Proposal. All comments must be sent by email, in Microsoft Word Format, or a format that can be converted to Word, to: [publiccomments@njcleanenergy.com](mailto:publiccomments@njcleanenergy.com). All comments must include the above referenced Caption and Docket Number in the subject line. All comments must be received on or before **August 27, 2018**. Late submissions will not be accepted.