

Hurricane Sandy Aftermath

Part Two – Environmental Impact

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Agenda

- NJDEP Administrative Order 2012-13, dated November 6, 2012
- Opportunities for Microgrids – Combined Heat and Power
- FEMA Flood Mapping Updates and Implications
- New Jersey Environmental Infrastructure Trust Fund / Federal Relief Funding
- Contemplated Land Use Permitting Reforms

NJDEP AO 2012-13

- Confirms permit exemptions for the repair and replacement of legally existing structures located in the coastal area
- Coastal Area Facility Review Act, Coastal Wetlands Act of 1970, Waterfront Development Act, Freshwater Wetlands Protection Act and Flood Hazard Area Control Act

NJDEP AO 2012-13

- Also authorizes action beyond the exempt activities
- Necessary to alleviate the administrative burdens placed upon State, County and Municipal governments

NJDEP AO 2012-13

- Applies to State, County and Municipal governments
- In-kind replacement or repair of “Public Infrastructure” – roads, bridges, railroads, culverts, bridges, utility lines, outfall structures, stormwater management structures, bulkheads and other shoreline stabilization structures
- Repair of scouring adjacent to legally existing bridges, culverts and roads

NJDEP AO 2012-13

- To qualify for conditional waiver of permit requirements:
 - By May 2013 –
 - submit comprehensive report to the NJDEP describing the damages and the authorized activities that have, are or will be undertaken;
 - Location, maps, photos
 - Certification that the damage happened as a result of Hurricane Sandy and that the activities meet the requirements of the AO
 - Certification from professional engineer – inventory covers only in-kind replacement of legally existing public infrastructure or scouring, activities will to the greatest extent possible meet the requirements of the Flood

NJDEP AO 2012-13

- NJDEP to provide written authorization after review of report and certifications,
- Permitting requirements shall be deemed waived, and
- The State, County or Municipal government shall be deemed in compliance with permitting rules.

NJDEP AO 2012-13

- Within sixty (60) days of completing authorized activities:
 - Municipality shall submit a certified submission:
 - Final inventory of authorized activities
 - Final report containing before and after photos, narrative of activity including sources of funding used to undertake activity

NJDEP AO 2012-13

- Failure to comply with the AO or undertaking activities not authorized under the AO:
 - NJDEP may require a permit
 - NJDEP may require restoration
 - NJDEP may undertake enforcement action

Opportunities for Microgrids – Combined Heat and Power (CHP)

- Microgrid – small scale, onsite power generation (CHP and Fuel Cells)
- CHP – also known as cogeneration involves the use of a fuel source to run a turbine generating both electricity and heat that can be used for heating and cooling
- Policy – Cleaner, more affordable, locally generated energy and the State Energy Master Plan encourages the use of CHP

Microgrids / CHP

- Hurricane Sandy resulted in unprecedented damage to electricity supply infrastructure (preceded by Hurricane Irene and the October 2011 snow storm)
- Backup / standby generator systems were pressed into long-term service and many failed or ran out of fuel
- Renewable sources are grid-dependent

Microgrids / CHP

- Hardening the Electric Infrastructure of Critical Facilities –
 - First responders
 - Hospitals
 - Schools
 - Government facilities

Microgrids / CHP

- New Jersey Board of Public Utilities (NJBPU) – Office of Clean Energy
 - Stakeholder discussions on how to implement CHP
 - Possible alteration of Energy Master Plan to reflect policy of supporting implementation of CHP at certain critical infrastructure

Microgrids / CHP

- New Jersey Economic Development Authority and the NJBPU CHP / Fuel Cell Program to improve grid reliability, increase efficiency and reduce energy costs
- Rolling grant program to support stand-alone projects
- Different than the competitive procurement program initiated in 2011

Microgrids / CHP

- Program is open to projects for commercial, institutional (government) and industrial facilities
- Projects greater than 1MW meeting certain efficiency standards
- Awarded based upon a tiered incentive related to size of project
- Incentive is capped at \$3 million per project

Microgrids / CHP

- Applications can be submitted now
- Technical application must be submitted first
- If found compliant then an EDA standard application must also be submitted
- Applications can be obtained at www.njeda.com/lscchp-fc

FEMA Flood Mapping

- FEMA Flood Mapping is used to identify flooding risk/potential and in turn impact the necessity and cost of flood insurance
- On December 22, 2012 FEMA released new “preliminary” Flood Maps for Atlantic, Bergen, Burlington, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union counties

FEMA Flood Mapping

- The impact of changes can be mitigated
 - Preferred Rate Policy
 - Lower cost
 - Available for properties changed from low or moderate to high risk
 - Property must be remapped on or after October 1, 2008
 - Grandfathering (only available for next 2 years)
 - Available to those who built in accordance with the mapping then in effect or maintain continuous coverage
 - Allows the use of previous base elevation mapping to determine flood insurance rates

New Jersey Environmental Infrastructure Trust (NJEIT) / Federal Relief Funding

- Administered by the NJDEP
- Provides low-cost financing for the construction of environmental infrastructure projects that enhance and protect ground and surface water resources
- Commonly utilized for wastewater, drinking water and stormwater projects
- Utilizes federal funds to offer the lowest possible interest rates

NJEIT / Federal Funding

- Types of projects that have been funded
 - Drinking water system improvements
 - Wastewater treatment facility improvements (collection and treatment) which can include power related improvements
 - Non point source pollution control
 - Open Space acquisition – could be a useful tool and purchasing high flood risk properties

NJEIT / Federal Funding

- Loan Program features:
 - Zero interest interim loans for up to 1 year
 - Capitalized interest during construction
 - As low as $\frac{1}{4}$ market rate
 - Long term financing – up to 20 years

NJEIT / Federal Funding

- Eligible borrowers include:
 - Municipal and county governments
 - Municipal and county / regional water, sewer and utility authorities; and
 - Private water purveyors

NJEIT / Federal Funding

- Superstorm Sandy Natural Disaster Emergency Financing Program
 - Provides short-term temporary financing for waste treatment and water supply infrastructure repairs
 - Intended to provide cash flow until funding can be received from FEMA or State agencies
 - Can be rolled into a long-term NJEIT financing as well
 - First file for relief with FEMA and other State agencies before filing for program funding

NJEIT / Federal Funding

- Superstorm Sandy Natural Disaster Emergency Financing Program
 - NJEIT is currently seeking information concerning the need for funding
 - Survey form available at <http://njeit.org/sandy/index.php>
 - Program may still require additional State approvals before advancing funding

NJEIT / Federal Funding

- Federal Funding update and status

Contemplated Land Use Permit Reforms

- Elevations,
- Reconstruction flexibility,
- Shore protection structures,
- Bulkheads, and
- Dredging

Thank You

- Questions and Answers