

A 4529 -- Redline

Enrolled to Chaptered -- Modifies certain requirements for transmission-scale energy storage procurement under BPU incentive program.

Deletions ~~struck~~ · Insertions underlined

2026, c.002 (A4529) ~~CHAPTER 2, P.L. An Act concerning the procurement of transmission-scale energy storage and amending P.L.2025, c.136.~~

~~2026, CHAPTER 2, approved March 24, 2026 Assembly, No.~~

~~4529 An Act concerning the procurement of transmission-scale energy storage and amending P.L.2025, c.136.~~

1. Section 2 of P.L.2025, c.136 (C.48:3-121.3) is amended to read as follows: ~~___ 2. ___ C.48:3-121.3 a. Transmission-scale (1) The Board of Public Utilities shall establish a program to procure and provide incentive awards for the development of transmission-scale energy storage systems with development, a reasonable likelihood of successful and timely completion. The board shall solicit applications for the program established pursuant to this section in an initial Tranche 1 and in Tranche 2, pursuant to paragraph (2) of this subsection. The board may place an eligible project that does not receive an incentive award awards. for Tranche 1 or Tranche 2 on a waiting list and consider the eligible project for an incentive award during a subsequent tranche.~~

~~(2) 2. By no later than [June 30] December 31, 2026, the board shall approve incentive awards for eligible projects totaling at least 1,000 MW AC in installed capacity. However, at least 350 MW AC of the 1,000 MW AC procurement goal shall be approved in incentive awards for eligible projects in Tranche 1 by no later than December 31, 2025. If the board is unable to procure all 1,000 MW AC in installed capacity in Tranche 1, the board shall approve incentive awards for eligible projects in Tranche 2, provided that all incentive awards in Tranche 2 are awarded by no later than [June 30] December 31, 2026.~~

a.

(1) The Board of Public Utilities shall establish a program to procure and provide incentive awards for the development of transmission-scale energy storage systems with a reasonable likelihood of successful and timely completion. The board shall solicit applications for the program established pursuant to this section in an initial Tranche 1 and in Tranche 2, pursuant to paragraph (2) of this subsection. The board may place an eligible project that does not receive an incentive award for Tranche 1 or Tranche on a waiting list and consider the eligible project for an incentive award during a subsequent tranche.

(2) By no later than December 31, 2026, the board shall approve incentive awards for eligible projects totaling at least 1,000 MW AC in installed capacity. However, at least 350 MW AC of the 1,000 MW AC procurement goal shall be approved in incentive awards for eligible projects in Tranche 1 by no later than December 31, 2025. If the board is unable to procure all 1,000 MW AC in installed capacity in Tranche 1, the board shall approve incentive awards for eligible projects in Tranche 2, provided that all incentive awards in Tranche 2 are awarded by no later than December 31, 2026.

(b) a transmission-scale energy storage system applying for an incentive award in Tranche 2 shall have entered the PJM interconnection process and, at the time of ~~application~~application; ~~[,]~~ ~~;~~

have a fully executed Generation Interconnection Agreement or Interconnection Service Agreement through ~~PJM~~PJM; ~~[,]~~ ~~;~~

have a completed Surplus Interconnection Study through ~~PJM~~PJM; ~~[,]~~ ~~;~~

have been studied by PJM in a Phase I System Impact Study ~~[and have paid a Decision Point I Readiness Deposit to PJM,]~~ or be in the process of undergoing a Phase I System Impact Study through PJM;

and (c) if a transmission-scale energy storage system applying for an incentive award in Tranche 1 fulfils the project maturity requirements established pursuant to subparagraph (a) ~~for subparagraph (b)]~~ of this paragraph by completing a Surplus Interconnection Study or by notifying PJM of intent to transfer existing Capacity Interconnection Rights associated with a deactivating generation station, then the transmission-scale energy storage system shall also have obtained the associated Capacity Interconnection Rights through PJM;

and (8) require a developer to provide additional information to the board during the term of the incentive award, as the board may reasonably require. The board may set additional requirements at its discretion, including, but not limited to, a requirement that the developer report major development and construction milestones to the board, maintain financial security throughout the term of the incentive award, ~~or~~and any other requirement the board determines necessary to ensure continued progress and operational viability of an eligible project.

~~g. g. (1) Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), or any other law or rule to the contrary, the board shall permit applications for Tranche 1 without regard to the publication status of the rules and regulations to be issued pursuant to~~

~~P.L.2025, c.136 (C.48:3-121.2 et al.), by no later than September 30, 2025. (2) The board shall accept Tranche 1 applications for a maximum of 60 days after the beginning of the formal application period for Tranche 1. Within 60 days following the closure of the Tranche 1 application period, the board shall: (a) evaluate projects in accordance with this section, any rules or regulations proposed pursuant to P.L.2025, c.136 (C.48:3-121.2 et al.), and any application requirements and eligibility criteria approved pursuant to this subsection;~~

(1) Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), or any other law or rule to the contrary, the board shall permit applications for Tranche 1 without regard to the publication status of the rules and regulations to be issued, pursuant to P.L.2025, c.136 (C.48:3-121.2 et al.), by no later than September 30, 2025. (2) The board shall accept Tranche 1 applications for a maximum of 60 days after the beginning of the formal application period for Tranche 1. Within 60 days following the closure of the Tranche 1 application period, the board shall: (a) evaluate projects in accordance with this section, any rules or regulations proposed, pursuant to P.L.2025, c.136 (C.48:3-121.2 et al.), and any application requirements and eligibility criteria approved pursuant to this subsection;

~~(cf: P.L.2025, c.136, s.2)~~ 2. This act shall take effect immediately.

~~STATEMENT — This bill would extend the deadline for the Board of Public Utilities (BPU) to approve Tranche 1 and Tranche 2 incentive awards for eligible transmission-scale energy storage systems under the energy storage program established by N.J.S.A.48:3-121.2 et al. (program). Under current law, the BPU is required to approve incentive awards for eligible projects totaling at least 1,000 megawatts in installed capacity by June 30, 2026. This bill extends that solicitation deadline to December 31, 2026. The bill also modifies certain project maturity requirements in order to expand the amount of projects eligible to receive incentive awards under Tranche 2 of the program.~~

~~Modifies certain requirements for transmission-scale energy storage procurement under BPU incentive program.~~