REPORT

ADVANCING ENERGY DEMOCRACY

Community-Driven Strategies for Taking Back Power



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CENTER FOR Earth, Energy & Democracy
Platform *for a* Just Climate
JUST SOLUTIONS Collective

ABOUT THIS REPORT

Advancing Energy Democracy was commissioned by the Center for Earth Energy & Democracy (CEED) and authored by Just Solutions Collective in collaboration with CURE MN, Minnesota Center for Environmental Advocacy (MCEA), Health Professionals for a Healthy Climate (HPHC), Deep South Center for Environmental Justice (DSCEJ), and the New Jersey Environmental Justice Alliance (NJEJA).

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Advancing Energy Democracy

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Part I: Framing the Win

Introduction

Since taking office, the Trump Administration has rolled back progress on climate and clean energy, including rules and regulations that limit pollution from our energy system. The Trump Environmental Protection Agency (EPA) has rolled back limits on mercury and air toxics standards for coal and gas fired power plants, reverting to older, less protective 2012 limits; finalized weak emissions limits on nitrogen oxide (NOx) emissions for power plants and industrial facilities; proposed to repeal GHG emission limits for existing coal and new gas plants and delayed requirements for oil and gas operators to cut methane pollution from their operations.

Simultaneously, the Administration has aggressively attacked wind and solar deployment and pushed to revive expensive and polluting gas- and coal-fired power plants. The Trump Administration's push to keep coal plants open past their lifespan is already costing ratepayers millions of dollars. For example, the J.H. Campbell coal-fired power plant in Michigan, which the Trump Administration ordered to remain operational past its retirement date, has cost Midwestern consumers more than $180 million to run due to its outdated, uneconomic energy production[1].

These rollbacks are costing communities their health and economic well-being. The regulatory rollbacks put at least $275 billion a year in cost savings and more than 30,000 lives annually at risk [2]. Low-income communities and communities of color (i.e. Environmental Justice communities) bear the brunt of the health costs of pollution from the power sector. Black and Indigenous communities also experience some of the highest levels of energy insecurity and pay a higher share of their income toward utility bills.

In the face of federal policies that increase pollution and the cost of living in low-income communities and communities of color, Environmental Justice (EJ) advocates have continued to drive climate and clean energy progress at the state and local levels.

The case studies below illustrate:

- Grassroots and EJ leadership: state and local climate and clean energy progress that has been driven or championed by EJ advocates.
- Health and Cost of Living Benefits: climate and energy policies that can reduce pollution, improve public health, lower energy costs, and deliver tangible benefits to communities; and

[1] Brown, C. (2026). Trump's push to keep coal plants open is costing hundreds of millions. *The New York Times*. https://www.nytimes.com/2026/05/14/climate/trump-coal-plants-cost.html
[2] Borenstein, S. (2025). Trump's EPA targets environmental rules projected to save billions: And many thousands of lives. Associated Press. https://apnews.com/article/epa-zeldin-pollution-rules-analysis-savings-health-0a289aec2507ed38d386680afdd0ea45

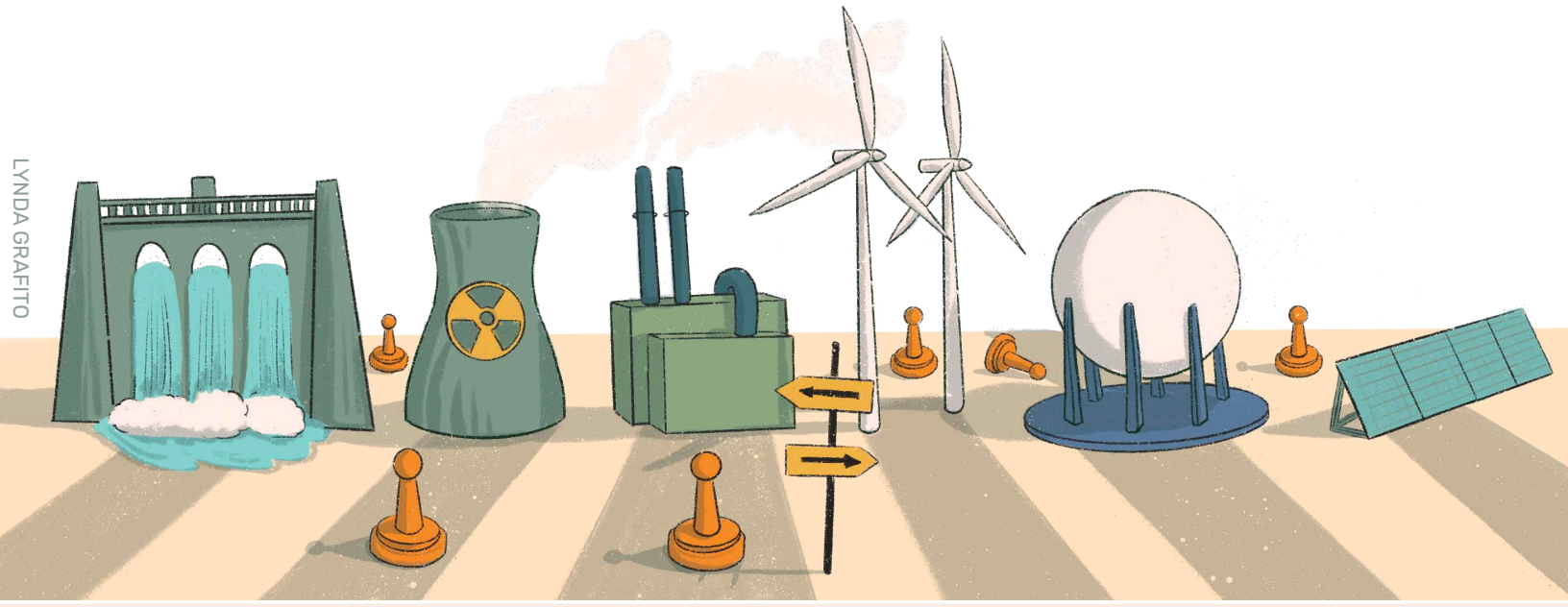
- Lessons for Action: policy approaches, and implementation lessons that can be adapted by advocates in other states and can inform future federal action on climate and energy.

The case studies also highlight the challenges and opportunities involved in turning policy into meaningful benefits for communities. Together, they offer lessons for EJ advocates and policymakers seeking to build on state and local progress and advance a more equitable, pollution-free energy system.

What Counts as a Win?

Success and "wins" in EJ and clean energy can mean different things depending on who's telling the story. For this synthesis, we define a win broadly as a policy outcome, a regulatory shift, or a narrative shift that offers the potential to advance health and economic benefits for EJ communities and reflects the leadership of the EJ advocates who drove it.

The three case studies represent three different entry points into the same underlying fight: how to reduce greenhouse gas emissions from the power sector while making sure its benefits reach the communities most affected by its pollution. In Minnesota, advocates ran a multi-year statewide legislative campaign that reset the state's clean energy targets. In New Jersey, advocates worked to shape the implementation of a state regulatory program to incentivize grid-scale energy storage and reduce reliance on peaker plants. And in New Orleans, advocates used the city council's authority over the local utility to secure a locally-funded program to support clean energy and backup power in the face of frequent hurricane damage and power outages.



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Part II: The Three Case Studies

Minnesota's 100% Clean Electricity Law

In 2023, Minnesota passed an ambitious law (HF7) to provide 100% carbon-free electricity by 2040, including provisions to minimize impacts in Environmental Justice (EJ) communities and to provide a just transition for the energy workforce[3]. Implementation of the law so far, however, has fallen short of its promise, including vaguely defined EJ benefits, disputable metrics for defining clean electricity, and a potential lack of enforceability. The benefits of the law to Minnesota's communities will hinge on whether ongoing implementation efforts adopt more stringent requirements to reduce pollution and ensure overall compliance.

Potential Benefits of the 100% Clean Electricity Law

Minnesota's Clean Electricity Standard uses a mix of *renewable* energy and *carbon-free* energy targets to meet its goals. Renewable energy includes sources such as wind, solar, and biomass, while carbon-free sources are defined more vaguely as any resource that does not emit carbon dioxide. The law's potential benefits, which depend on implementation plans to realize, include:

Climate:	**Reduction in power sector carbon emissions,** which totaled 20 million metric tons in-state in 2024.[4] Clean electricity also enables other sectors to decarbonize by electrifying vehicles, appliances, and other fossil fuel applications that can now run off of carbon-free electricity.
Public Health:	**Reduction in health-damaging air pollutant emissions from power plants.** In-state power plant emissions totaled 12,000 metric tons of sulfur dioxide and 16,000 metric tons of nitrogen dioxide in 2024.[5] These pollutants react in the atmosphere to form particulate matter and ozone, contributing to health impacts such as asthma attacks, heart attacks, and premature death.[6] The law has the potential to reduce these public health impacts—but only if gas-, coal-, and biomass-fired power plants retire in parallel with the adoption of renewable and carbon-free electricity generation.
Workforce:	**Requires efforts to ensure high-quality job creation, to support workforce transitions for fossil fuel workers and in EJ communities, and to prioritize local job creation.** One estimate found that if Minnesota adopted 100% renewable energy by 2035, it would produce 160,000 job-years.[7]

[3] H.F. 7, 93rd Leg., Reg. Sess. (Minn. 2023) (2nd Engrossment). https://www.revisor.mn.gov/bills/93/2023/0/HF/7/versions/2/
[4] U.S. Energy Information Administration. Electricity: Emissions by plant and by region. Accessed: May 26, 2026.
[5] U.S. Energy Information Administration. Electricity: Emissions by plant and by region. Accessed: May 26, 2026.
[6] U.S. Environmental Protection Agency. Human Health & Environmental Impacts of the Electric Power Sector. Accessed: July 1, 2026.
[7] Gignac, J., Sitko, E., Rogers, J., Hernández, Marco, and García, P. (2022). On the Road to 100 Percent Renewables for Minnesota. Union of Concerned Scientists and COPAL.

EJ:	**Requires "reasonable actions" to reduce statewide air pollutant emissions,** particularly in EJ communities, but sets no firm targets. Precludes Hennepin Energy Recovery Center (HERC), an incinerator affecting nearby EJ communities, from receiving renewable energy credits, which it had qualified for previously.
Affordability:	**Requires efforts to ensure energy affordability, particularly for low-income households.** Specifics are left to the regulatory process.

The Details: How Does the Law Work?

Clean Energy Targets: Minnesota's Clean Electricity Standard builds on the state's previous renewable energy targets to accelerate the adoption of renewable and carbon-free electricity through 2040. The 2023 targets set a new renewable target of 55% by 2035, including 10% of electricity from solar by 2030. More broadly, Minnesota requires that large investor-owned utilities are 80% carbon-free by 2030 (60% carbon-free for other electric utilities such as rural cooperatives); and that all utilities are 90% carbon-free by 2035 and 100% carbon-free by 2040.[8]

Definition of Clean Energy: "Renewable" energy technologies include solar, wind, hydropower, geothermal, trees and vegetation, landfill gas, and wastewater sludge (excluding sludge incineration). "Carbon-free" sources are required to not emit carbon dioxide, but the specifics were left to the Minnesota Public Utilities Commission (PUC). The PUC chose to use a *life-cycle* approach to calculate carbon emissions, which enables plants that burn wood, trash, and other biomass to be considered carbon-free, even though they emit carbon dioxide when burned, using the argument that these emissions are offset by reducing greenhouse gas emissions over the life-cycle of these resources. This decision faced strong opposition from many environmental and justice organizations, dozens of legislators including one of the authors of the law, under concerns that not only do these sources still emit carbon dioxide, but they also emit health-damaging air pollutants, and many are located in or near EJ communities.[9,10,11]

The law enables the use of renewable energy credits—certificates that are attached to the generation of renewable electricity but not necessarily the electricity itself—to meet renewable energy targets. As a result, there is a risk that utilities will buy renewable energy credits from other states and continue to operate fossil-fuel power plants in-state; they can also continue to operate these plants to export electricity to neighboring states. This outcome would result in ongoing emissions of health-damaging air pollutants in Minnesota communities.

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[8] Minnesota Commerce Department. Minnesota's Clean Electricity by 2040 Law. Accessed: May 20, 2026.
[9] Kraker, D. (January 18, 2026.) State regulators rule that burning trash and wood can be considered 'carbon-free'. *MPR News.*
[10] Minnesota Center for Environmental Advocacy. (2024). 10 Things to Know About the Threat to the 100% Law.
[11] CURE. (2024). Environmental groups unite to stop threat to Minnesota's 100% Clean Energy Law.

EJ: The law defines EJ areas as communities where populations are 40% or more non-white, 35% or more low-income, 40% or more low English proficiency, or which are located in Indian country. Decision-making is required to ensure emission reductions, prioritize workforce creation, and assess impacts in these communities, but no specific targets are defined and these decisions are left to the regulatory implementation process.

Workforce: Similarly, the law identifies that high-quality jobs, training, and support for affected fossil fuel workers, and local workforce development should be prioritized, but no specific targets are identified within the law itself.

How Did We Get Here?

Minnesota first created a voluntary renewable energy target in 2001, which was codified into law in 2007, setting a goal of 25% of electricity from renewable energy by 2025. Minnesota easily exceeded this target, in large part due to the rapid growth of low-cost wind energy across the Midwest. In 2025, Minnesota generated 34% of its electricity from in-state renewables such as solar and wind, far exceeding its original target of 25% by 2025. Carbon-free generation, including nuclear power and large-scale hydropower, totaled 56% in 2025.[12,13]

The Minnesota campaign for 100% clean energy launched in 2019, backed by a coalition of environmental, labor, consumer advocate, and community organizations—although notably missing some EJ and indigenous groups. The first 100% bill was first introduced in the state House in 2019 and passed twice, but it only became law four years later, in 2023,[14] once Republicans lost control of the state Senate.[15] The law incorporated specific carve-outs to garner support from diverse stakeholders, such as the exclusion of the incinerator HERC at the behest of EJ organizations, and lower interim targets for rural electric cooperatives. Some of the compromises required to ensure broad coalition support also resulted in many details being left to the regulatory implementation process.

What Challenges Remain?

In part because the Clean Electricity Standard left many details for the implementation process, the success and impact of the law is contingent on the outcomes of ongoing regulatory decisions—particularly at the PUC—during the course of its implementation. The

[12] U.S. Energy Information Administration. Electricity Data Browser. Accessed: May 20, 2026.
[13] Another 7% of electricity was imported, and isn't reflected in these numbers. Clean Energy Economy Minnesota. (2026). 2026 Energy Factsheet: Tracking MN's Clean Energy Trends.
[14] Evergreen Action. (2023) How Did Minnesota Pass a 100 Percent Clean Electricity Standard? We Talked to the Experts.
[15] Minnesota Legislature. Party Control of the Minnesota Senate, 1951-present. Accessed: June 4, 2026.

law has the potential to deliver benefits in health, equity, climate, environment, workforce, and affordability, but implementation decisions have already put some of these benefits at risk. Changing power sector dynamics, including load growth from data centers, further jeopardize the equitable realization of the Clean Electricity Standard. Some of these concerns include:

- **What is carbon-free?** The Minnesota PUC has ruled that electricity generators that burn biomass and waste or rely on carbon capture and sequestration can be considered "carbon-free" if the fuel has net zero carbon emissions using a "Fuel Life-Cycle Analysis Framework."[16] Life-cycle greenhouse gas analyses often yield very different results depending on assumptions used, raising concerns that many facilities will be deemed "carbon-free" that, in reality, are continuing to emit greenhouse gases, and that similar new facilities may be built. Minnesota environmental organizations have appealed this ruling.[17] This concern compounds with the indisputable fact that these facilities also emit health-damaging air pollutant emissions, such as particulate matter, in local communities.

- **How is renewable energy tracked?** Electricity generated by renewables receives "renewable energy credits" (RECs) that count towards a utility's compliance with renewable and carbon-free electricity goals. Notably, these credits do not have to be "bundled" with the electricity that is actually being used—meaning that a utility could purchase the clean energy "credit" from a wind farm in another state, bank it for as much as four or more years before using it for compliance, and continue to operate a gas plant in Minnesota for the actual electricity being provided. In other cases, advocates have raised alarms about Minnesota utilities purchasing RECs from facilities, such as an incinerator in Florida, that cause EJ impacts in other states.[18] The utility commission considered creating an hourly matching requirement so the REC had to match demand in the hour generated, which would reduce these risks, but tabled this option for future study.[19,20]

- **Power Hungry Data Centers:** In spite of the 100% Clean Electricity Standard, utilities are still proposing to build *new* gas plants, which clean energy organizations have argued runs counter to the law.[21] Utilities project building even more gas plants if load,

[16] Minnesota Public Utilities Commission. (May 14, 2026.) *In the Matter of a Commission Investigation into a Fuel Life-Cycle Analysis Framework for Utility Compliance with Minnesota's Carbon-Free Standard.* Order Adopting Fuel Life-Cycle Analysis Framework for Identifying Carbon-Free Technologies. Docket No. E-999/CI-24-352.
[17] Clean Energy Organizations. (June 3, 2026). *In the Matter of a Commission Investigation into a Fuel Life-Cycle Analysis Framework for Utility Compliance with Minnesota's Carbon-Free Standard.* Petition for Reconsideration and Clarification of the Clean Energy Organizations. Docket No. E-999/CI-24-352.
[18] CURE, Health Professionals for a Healthy Climate, Partnership for Policy Integrity, Minnesota Interfaith Power and Light, and Minnesota Environmental Justice Table Answer to Petition for Reconsideration and Clarification. (June 15, 2026). In the Matter of a Commission Investigation into a Fuel Life-Cycle Analysis Framework for Utility Compliance with Minnesota's Carbon-Free Standard, MPUC Docket No. E-999/CI-24-352.
[19] Brett, T. and Moeller, D. (2025). Minnesota PUC Issues Orders on Carbon-Free Standard Compliance and Reporting. *Fredrikson.*
[20] Piper, Alex. (2025). Minnesota's Climate Miss. *EnergyTag.*
[21] Sierra Club. (2026). Minnesota Power's Long-Range Plan Must Do More to Meet Minnesota's 100% Law and Avoid Costly Fossil Fuel Investments.

in particular for data centers, continues to grow.[22] Additionally many data center developers across the country are now building their own power plants instead of connecting to the grid and most of this planned generation is from natural gas[23]. If such gas plants are built, the outcome would either be that 1) these utilities will ultimately not be able to comply with the standard, and may be granted an off-ramp (as provisioned in the law) claiming that compliance is too expensive and no longer in the public interest; 2) they will comply, and these investments will become unused stranded assets that utility customers will be on the hook to pay for; 3) utilities will technically comply, but sell electricity from these plants to other states while continuing to burn fossil fuels which pollute communities in Minnesota; 4), utilities will entirely offset the emissions of these plants with out-of-state REC purchases; or 5), utilities will require additional investments in "green" hydrogen or carbon capture and sequestration to comply, providing uncertain climate benefits, ongoing air pollutant emissions, and driving up costs. Xcel, the state's largest investor owned utility, has reported that they plan to meet the interim benchmarks in the state's clean energy standard while meeting demand from rising load growth[24]. The state also passed a law in 2025 to ensure data centers comply with the state's clean energy standard[25]. However, the risks around stranded assets, compliance using offsetting emissions through REC purchases while continuing to run fossil fuel plants and investments in green hydrogen or CCS to comply remain.

- **EJ concerns:** The inclusion of biomass and waste incinerators as eligible carbon-free technologies pose an ongoing pollution concern for EJ communities near their sites, and new such facilities may be built. There also has been minimal regulatory consideration of the EJ provisions required in the law, and there are no firm targets or requirements to ensure accountability for meeting EJ priorities.

[22] Minnesota Public Utilities Commission. Minnesota Power's 2025-2039 Integrated Resource Plan (IRP). Accessed: September 1, 2026.
[23] Thomas, M. (2026). *Bypassing the grid: How data centers are building their own power plants*. Distilled. https://www.distilled.earth/p/bypassing-the-grid-how-data-centers
[24] Xcel Energy. (n.d.). *Upper Midwest energy plan*. https://corporate.my.xcelenergy.com/s/sustainability/plans/upper-midwest-plan
[25] Soares, K. (2026). *Lessons learned for data center regulation: A conversation with Minnesota advocates*. Climate XChange. https://climate-xchange.org/2026/01/lessons-learned-for-data-center-regulation-a-conversation-with-minnesota-advocates/

What Other States Are Doing

As of 2025, two dozen states (plus Washington DC and Puerto Rico) have adopted 100% clean electricity targets,[26] but only a few of them include specific EJ provisions. These provisions are sometimes included in the original law, as in New York, or may be required in aligned legislation, as in California. Examples include:

- **New York Climate Leadership and Community Protection Act (S6599, 2019)**
  - Climate target: 100% zero-emission electricity by 2040; 85% economy-wide reduction in greenhouse gases below 1990 levels by 2050.
  - EJ: 35% of funding must be invested in disadvantaged communities.
  - Coalition: Advanced by NY Renews coalition of 300+ members with broad representation from EJ, labor, environmental, faith, and more organizations.[27]
  - Challenges: In 2026, Governor Kathy Hochul significantly weakened and delayed interim targets for the law during budget negotiations.[28]

- **California Renewable Portfolio Standard (SB100, 2018)**
  - Climate target: 100% zero-carbon electricity by 2045.
  - EJ: In parallel, AB 1550 (2016) earmarks 35% of carbon cap-and-trade funds for disadvantaged and low-income communities.
  - Coalition: Supported by a broad coalition of environmental, EJ, public health, and some business entities, as well as Governor Jerry Brown.
  - Challenges: Cap-and-trade funding for disadvantaged communities does not necessarily translate to power sector emission reductions in those communities.

- **Michigan Clean Energy Future Package (2023)**
  - Climate target: 100% clean electricity by 2040 (SB 271).
  - Just transition: Specifies energy efficiency programs for low-income households and workforce training and transition efforts.
  - Coalition: Advanced by a mix of environmental organizations and businesses.
  - Risk: The Michigan House voted to overturn the clean energy target in 2026, although the Senate is expected to uphold it.[29] Outcomes hinge on the implementation process.

[26] Clean Energy States Alliance. Table of 100% Clean Energy States. Accessed: June 5, 2026.
[27] NY Renews. Our Coalition. Accessed: May 20, 2026.
[28] Bittle, Jake. (2026). New York backtracked on its climate goals. Here's why. *Grist.*
[29] Hermani, J. and House, K. (2026). House votes to nix Michigan's 100% clean energy goal, but it's DOA in the Senate. *Bridge Michigan.*

Moving Forward

Minnesota's 100% Clean Electricity Law sets an ambitious goal with potentially broad climate, public health, EJ communities, affordability, and workforce benefits. However, many of the details were left to implementation, meaning achieving these outcomes is contingent on regulatory decisions in the coming years.



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New Jersey's Garden State Energy Storage Program

New Jersey launched the Garden State Energy Storage Program (GSESP) in 2025 to reduce peak demand and reliance on polluting "peaker plants," improve energy affordability, and advance the state's clean energy goals. The program establishes an energy storage target of 2 GW by 2030 through incentivized investments. To date, two implementation phases are planned with Phase 3 on hold. Phase 1 is funding transmission-scale energy storage projects, while Phase 2 will focus on increasing distributed energy storage in front and behind the meter.[30]

Potential Benefits of the GSESP

The GSESP complements other state renewable energy programs designed to expand distributed energy resources, increase reliability and affordability, and help the state meet its climate targets, including the Successor Solar Incentive Program,[31] the development of a Virtual Power Plant (VPP) program,[32] and community solar provisions contained in the Clean Energy Act.[33] Potential benefits of the GSESP include:

Climate: **Facilitates the transition to renewable energy sources** and the state's decarbonization efforts to meet climate targets. Projects awarded incentives in Phase 1 of the GSESP are sited at operating or retired fossil fuel-powered facilities.[34] The New Jersey Board of Public Utilities (NJBPU) estimates that the program can be expected to prevent the emission of 2–3.6 million metric tons of carbon dioxide (CO_2) between 2025 and 2044, averaging 100,000–180,000 metric tons annually.[35]

Public health: **Enables the retirement of and limits the need to build new peaker plants**, which have historically been disproportionately located in New Jersey's Environmental Justice (EJ) communities. New Jersey's peakers are old, gas- and oil-fueled plants that have high rates of health-damaging air pollutant emissions.[36]

Grid Modernization: Peak demand for the PJM Interconnection, which includes New Jersey, reached record levels during the July 2026 heat wave. In response, U.S. Department of Energy Secretary Chris Wright ordered that fossil

[30] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. Q022080540.
[31] New Jersey's Clean Energy Program. Solar. New Jersey Board of Public Utilities. (Accessed: June 30, 2026). Early implementation of the Clean Energy Act requirements for energy storage relied upon alignment with solar energy incentives. In 2022, the Competitive Solar Incentive Program, a component of the Successor Solar Incentive Program, included a requirement that incentives for grid supply solar be accompanied by 160 MWh of energy storage. (New Jersey's Clean Energy Program. [2024]. Fiscal Year 2024 Program Descriptions and Budgets. New Jersey Board of Public Utilities.)
[32] Governor Mikie Sherrill. (2026). Executive Order 2.
[33] P.L. 2018, c.017 (a3723).
[34] Martucci, B. (2026). New Jersey announces 355-MW storage procurement, solicits 645 MW more. *Utility Dive*.
[35] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. Q022080540.
[36] PSE Healthy Energy. (2024). Replacing Peaker Plants with Energy Storage in New Jersey.

fuel-powered peaker capacity be deployed to meet energy demand,[37] and PJM took other emergency steps such as waiving power plant environmental standards and curtailing large loads to avoid blackouts during the period of surging demand.[38] As extreme weather intensifies with climate change, **energy storage can stabilize the grid through additional readily available capacity** during periods of peak demand while simultaneously reducing the need for energy produced by polluting peaker plants.

Resilience: **Behind-the-meter storage capacity located at homes and businesses, deployed as part of Phase 2, can provide backup power during extreme weather events** and emergencies to maintain critical health and safety operations while avoiding disruptions for residents from prolonged outages,[39] such as those that occurred in the aftermath of Hurricane Sandy.[40]

Workforce: **Anticipated economic benefits resulting from job creation**,[41] including the projected creation of 50 union jobs at one of the Phase 1 sites.[42]

Env Justice: **Energy storage deployed through GSESP holds the potential to displace fossil-fuel peaker plants located in low-income communities and communities of color across the state.** The GSESP bidding process provides for the consideration of projects involving brownfield redevelopment or delivering benefits to overburdened communities, including up to 10% higher costs.[43]

Affordability: PJM capacity prices for meeting peak demand have soared in recent years due in part to demand from the region's data centers and extreme heat[44] and New Jersey electricity rate increases have become among the highest in the country.[45] **Phase 1, Tranche 1 projects are anticipated to save ratepayers more than $169 million through grid stabilization during periods of peak demand**.[46]

[37] DiGangi, D. (2026). PJM anticipates a new peak demand record as heat wave tests power grid. *Utility Dive*.
[38] Savage, C. (2026). Largest US power grid PJM escalates emergency actions to avoid blackouts. Energy News Beat.
[39] New Jersey Board of Public Utilities. (2025). Garden State Energy Storage Program Proposed New Rules: N.J.A.C. 14:8-14.
[40] U.S. Energy Information Administration. (2012). Electricity restored to many in the Northeast but outages persist.
[41] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[42] Elevate Renewable Energy. (2026). New Jersey BPU Selects Elevate's Garden State Reliability Battery Storage Project to Improve Affordability and Address Regional Power Shortage. *PR Newswire*.
[43] New Jersey Board of Public Utilities. (2025). Garden State Energy Storage Program Proposed New Rules: N.J.A.C. 14:8-14.
[44] Gearino, D. and Talabong, R. (2025). Why Prices Are Soaring in the Country's Largest Grid Region, Explained in 5 Charts. *Inside Climate News*.
[45] Krieger, E. (2026). More Stress on Household Bills: Electricity Prices Surged in 2025. Just Solutions.
[46] Martucci, B. (2026). New Jersey announces 355-MW storage procurement, solicits 645 MW more. *Utility Dive*.

The Details: How Does the Program Work?

The Garden State Energy Storage Program is designed to roll out in three phases.[47] Phase 1, currently being implemented, focuses on transmission-scale energy storage projects with an installed capacity of at least 5 MW,[48] with the goal of reaching at least 1,000 MW of installed capacity. Phase 2, expected to launch in 2026,[49] will be dedicated to increasing distributed energy storage in front of and behind the meter through projects that are ineligible for other state solar incentives.[50] Phase 3 is currently on hold. If implemented in the future, it would implement a transmission performance incentive.[51]

Phase 1 consists of two tranches:

- Tranche 1 launched in 2025, with the goal of awarding incentives for 350-750 MW of storage capacity.[52] Two awarded projects thus far have the most capacity: the 200-MW Woods Landing Storage project sponsored by Juniper Power and Elevate Renewables' 150-MW Two Rivers Energy Storage Project.[53]
- Tranche 2, which launched in May 2026,[54] will award the remaining capacity to reach the 1,000 MW target.

Incentives are awarded through a competitive process, with fixed payments made over a 15-year period.[55] The program is funded through the New Jersey Clean Energy Program and revenue from the Regional Greenhouse Gas Initiative (RGGI). Societal Benefit Charges that are included as a charge on utility bills and which fund the New Jersey Clean Energy Program will not increase in association with the program.[56] RGGI has historically faced opposition from EJ advocates in New Jersey, including from the New Jersey Environmental Justice Alliance, despite the revenue that the program generates. EJ advocates have cited the potential for cap-and-trade programs to fail to reduce, or even worsen, local pollution disparities in EJ communities.[57]

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[47] New Jersey Board of Public Utilities. (2025). N.J. Takes Charge: Launches Landmark Energy Storage Program To Lower Long-Term Costs and Strengthen Power Grid.
[48] New Jersey Board of Public Utilities. (2026). Order on the Outcome of the 2025 GSESP Solicitation, Docket No. QO22080540.
[49] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[50] New Jersey Board of Public Utilities. (2026). Order Launching Phase 1, Tranche 2 of the Garden State Energy Storage Program, Docket No. QO25120634.
[51] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[52] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540. Phase 1, Tranche 2 is further described in New Jersey Legislature. AB 5267 (2024-2025 Session).
[53] Martucci, B. (2026). New Jersey announces 355-MW storage procurement, solicits 645 MW more. *Utility Dive*.
[54] New Jersey's Clean Energy Program. Energy Storage. Accessed: July 1, 2026.
[55] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[56] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[57] Declet-Barreto, J. and Rosenberg, A. A. (2022). Environmental justice and power plant emissions in the Regional Greenhouse Gas Initiative states. Plos one, 17(7), e0271026.

How Did We Get Here?

New Jersey has taken action in recent years to advance energy storage capacity through executive action and legislation. In the aftermath of Hurricane Sandy and a $3 million investment in energy storage aimed at boosting grid resilience,[58] Governor Phil Murphy issued Executive Order 28 in 2018, directing the New Jersey Board of Public Utilities (NJBPU) to update the state's clean energy plan to further advance the transition to clean energy sources, including community solar and energy storage development. EO 28 established the 2030 energy storage goals that were subsequently codified in the Clean Energy Act of 2018.[59]

The Clean Energy Act sets the direction for the state's decarbonization, energy efficiency, and energy storage initiatives. The act established the goals of achieving 600 MW of grid-scale energy storage capacity by 2021 and a total of 2 GW by 2030 through incentivized investments. The legislation directed the NJBPU to produce an assessment of energy storage needs and opportunities and to create a program to achieve the intended storage targets, with the goal of ensuring the availability of back-up power, offsetting peak loads, and stabilizing the grid.[60] Following completion of the assessment[61] and a two-year stakeholder engagement process,[62] the NJBPU launched the Garden State Energy Storage Program (originally known as the Clean Energy Storage Incentive Program) in 2025.[63] Governor Mikie Sherrill has taken additional steps to bolster clean energy development and storage.[64]

To date, three projects have been approved for the first phase of GSESP implementation.[65] A minimum investment of $60 million per year funds the incentive program,[66] which is designed to consider "redevelopment, community benefits, brownfield redevelopment, and/or demonstrated benefits to overburdened communities" in the bidding process.[67] The NJBPU has adopted a policy in Phase 1 implementation that considers community benefits in cases where a proposed project is no more than 10% costlier than the lowest-priced rejected bid. Phase 2 will consist of both fixed and performance-based incentive components. Achieving the goals of the GSESP is expected to improve electricity affordability while reducing air pollution affecting overburdened communities from reliance on fossil fuel-powered peaker plants.

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[58] Trabish, H. (2015). New Jersey makes first awards in energy storage program to boost grid resiliency. *Utility Dive.*
[59] Governor Phil Murphy. (2018). Executive Order 28.
[60] P.L. 2018, c.017 (a3723).
[61] Rutgers, The State University of New Jersey. (2019). Final Report: Responses to the ESA Elements of the Clean Energy Act of 2018.
[62] New Jersey Board of Public Utilities. (2026). Request for Information: Docket Nos. Q026030099, Q026040116, Q024020116, Q026030059, Q024030199 .
[63] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. Q022080540.
[64] Governor Mikie Sherrill. (2026). Executive Order 2.
[65] Martucci, B. (2026). New Jersey announces 355-MW storage procurement, solicits 645 MW more. *Utility Dive.*
[66] New Jersey Legislature. An Act concerning transmission-scale energy storage. AB 5267 (2024-2025 Session).
[67] New Jersey Board of Public Utilities. (2025). Garden State Energy Storage Program Proposed New Rules: N.J.A.C. 14:8-14.

Community Based Organization (CBO) Highlight: New Jersey Environmental Justice Alliance

The **New Jersey Environmental Justice Alliance (NJEJA)** is a coalition of organizations and individuals working to create healthy, sustainable, and just communities by eliminating injustices in low-income and communities of color. The coalition works in the areas of air pollution, climate change, and energy policy to model legislation for addressing cumulative impacts affecting EJ communities. Advancing community solar, distributed energy resources, and virtual power plants have been among the coalition's priorities.

As Phase 1 of GSESP implementation moves into Phase 2, NJEJA continues to advocate for an incentive structure that incentivizes resources located in and community benefits delivered to overburdened communities and improved access to Phase 2 participation for low-income communities.[68]

What Challenges Remain?

To date, roll out of the GSESP has been slow,[69] with three announced projects delivering 355 MW of storage capacity during Phase 1 implementation.[70] The New Jersey Legislature enacted AB 4529/S 3819 in 2026 to increase the number of prospective bidders and extend Phase 1 implementation through December 31, 2026.[71] It remains to be seen if the GSESP results in lower electricity bills for New Jersey ratepayers, increased resilience and reliability, and whether increased energy storage capacity results in fossil fuel-powered peaker plants being retired and improved public health and well-being for overburdened communities living in close proximity to peaker plants.

Other challenges include:

- **Carveouts for EJ communities:** There are currently no requirements that benefit from the GSESP flow to EJ communities. The program considers community benefits, as described below, but there are no programmatic requirements pertaining to defined benefits.
- **The degree to which community benefits will be realized in the bidder selection:** Initial projects funded under Phase 1 have had limited community benefit. The Woods Landing Energy Storage project involves cleanup efforts at a former coal-fueled power plant, and the project is expected to create an unspecified number

[68] New Jersey Environmental Justice Alliance. (2026). Comments on: Request for Information (RFI) "Virtual Power Plant (VPP) Program" & "Phase 2 of the Garden State Energy Storage Program (GSESP)" Docket Nos. Q026030099, Q026040116, Q024020116, Q026030059, Q024030199.
[69] Laskey, J. (2026). Hurry Up and Wait: New Jersey's Efforts to Encourage Battery Energy Storage Systems on Pause? Norris McLaughlin.
[70] Talabong, R. (2026). New Jersey Turns to Big Batteries as Power Prices Rise. *Inside Climate News*.
[71] New Jersey Legislature. Modifies certain requirements for transmission-scale energy storage procurement under BPU incentive program. S 3819 (2026-2027 session).

of jobs, but it is not clear that overburdened communities will benefit from job creation.[72] As Phase 2 has not yet been fully developed, the degree to which community benefits are realized has yet to be determined.[73]

- **Measurement of the greenhouse gas emissions impacts of GSESP:** NJBPU cites challenges related to data availability and reliability as a reason to defer an emissions-based incentive. The expansion of energy storage capacity, however, is expected to result in reduced greenhouse gas emissions from a reduced reliance on fossil fuel-powered peaker plants and integrate additional renewable energy, even in the absence of such an incentive.[74]
- **Future roll-out of Phase 3.** At this time, Phase 3 is deferred and there is no timeline for possible implementation..[75]
- **The impacts of hyperscale data centers.** Data centers accounted for approximately 70% of load growth in New Jersey in 2025-2026, according to PJM.[76] Responding to increased energy demands of data centers, Governor Sherrill announced a statewide plan to prevent data centers from derailing energy affordability actions, including the GSESP.[77] Legislation signed in August 2026 will further require data centers to report their energy and water usage every six months to increase the state's capacity to respond to increasing load growth.[78]

[72] Woods Landing Energy Storage. Accessed: July 7, 2026.
[73] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[74] New Jersey Board of Public Utilities. (2025). Order Launching the Garden State Energy Storage Program, Docket No. QO22080540.
[75] New Jersey Board of Public Utilities. (2025). N.J. Takes Charge: Launches Landmark Energy Storage Program To Lower Long-Term Costs and Strengthen Power Grid.
[76] Ambrose, A. and Chen, P. (2026). Fool's Gold: The Hidden Costs of AI Data Centers for New Jersey. New Jersey Policy Perspectives.
[77] Governor Mikie Sherrill. (2026). Governor Sherrill Announces Comprehensive Plan on Data Centers.
[78] Nieto-Munoz, S. (2026). Data centers must report water, energy use under new law signed by Gov. Sherrill. *News from the States*.

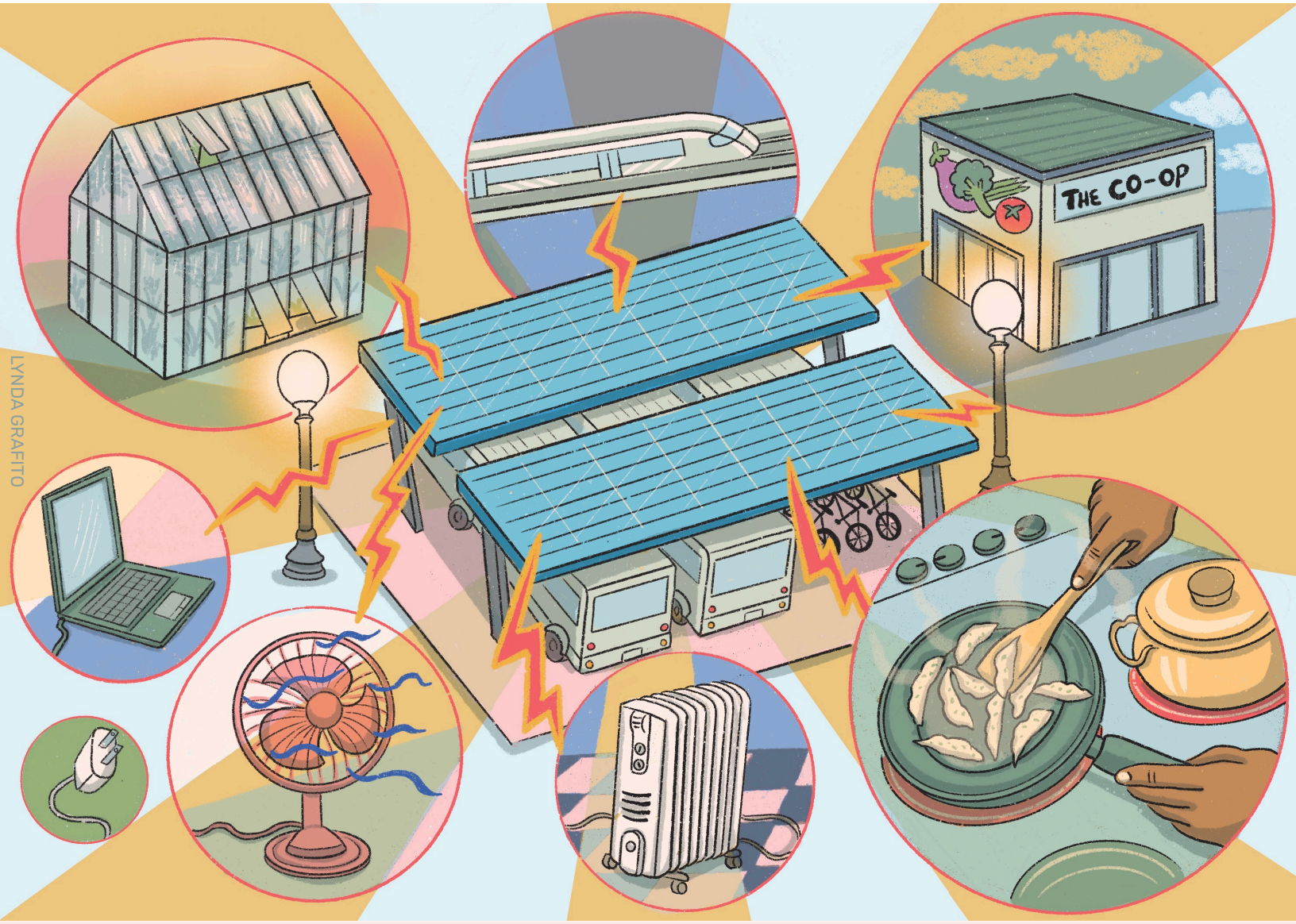
What Other States Are Doing

- **California storage targets (AB 2514, 2010)**
  - Storage target: AB 2514 (2010) required the California Public Utilities Commission to identify an energy storage target, and in 2013, the Commission set a target of 1.325 GW of energy storage by 2020.[79]
  - EJ: In parallel, the state's Self-Generation Incentive Program (SGIP, first established in 2001[80] and subsequently modified), which provides incentives for behind-the-meter energy storage alongside other technologies, includes specific carve-outs with higher incentives to support equity and resiliency.[81]
  - Coalition: California's energy storage targets and incentives have had a wide range of stakeholder support and, importantly, continued engagement from community organizations, environmental groups, businesses, and others throughout the regulatory implementation process.
  - Challenges: The SGIP equity and resiliency budget was initially undersubscribed, leading to modifications of the original incentive design.[82]
- **Massachusetts storage targets (H4857, 2018)**
  - Storage target: H4857, An Act to Advance Clean Energy, set a target of establishing 1,000 MWh of energy storage by December 31, 2025.
  - EJ: The legislation included a provision that "benefits to low-income areas" be considered in the project bidding process.
  - Coalition: The Act to Advance Clean Energy advanced several priorities identified by environmental groups, including renewable energy investments and energy storage targets.[83]
  - Challenges: Although the initiatives and targets established by the legislation advanced clean energy goals and resilience, advocates noted that the act was modest and the targets were non-binding.[84]

[79] California Public Utilities Commission. Energy Storage. Accessed: July 6, 2026.
[80] DSIRE. (2025). Self-Generation Incentive Program. NC Clean Energy Technology Center.
[81] California Public Utilities Commission. Participating in Self-Generation Incentive Program. Accessed: July 6, 2026.
[82] Milford, L. and Mullendore, S. (2019). California Aims to Fix Low-Income Storage Program and Deliver New Resilience Incentives. Clean Energy Group.
[83] See, for example, Acadia Center. (2018). 2018 Clean Energy Legislation in Massachusetts and Rayman-Read, A. (2018). The Massachusetts Legislative Session: An Anticlimactic Finish. Conservation Law Foundation.
[84] Acadia Center. (2018). 2018 Clean Energy Legislation in Massachusetts; Rayman-Read, A. (2018). The Massachusetts Legislative Session: An Anticlimactic Finish. Conservation Law Foundation.

Moving Forward

The Garden State Energy Storage Program holds promise for advancing clean energy goals, improving affordability, and reducing pollution from peaker plants. Roll out, however, has been slow. The outcomes of the program hinge especially on the design and implementation of Phase 2, including the degree to which community benefits are prioritized.



LYNDA GRAFITO

New Orleans' Distributed Energy Resource Program

New Orleans residents face frequent power outages, both during extreme weather, such as hurricanes, and during otherwise normal weather, often referred to locally as "fair-weather" outages.[85] These outages can have more severe effects on low-income households, which often have fewer resources to reduce or withstand their impacts.[86] As a result, community concerns about reliability, affordability, Environmental Justice (EJ), and resilience have shaped the development of New Orleans' energy policies, including a new program to build out resilient distributed energy resources.

Utility Regulation and Community Advocacy

New Orleans' unique regulatory structure grants the City Council authority over the city's electric utility, including utility rates and resource planning.[87] This authority has provided an important avenue for community organizations, including the Deep South Center for Environmental Justice (DSCEJ), the East New Orleans Neighborhood Advisory Commission (ENONAC), the Alliance for Affordable Energy (AAE), and partners in the Energy Future New Orleans (EFNO) coalition, to participate in decisions affecting the city's energy system.

Community advocacy was especially prominent during the City's consideration of Entergy New Orleans' proposed New Orleans Power Station (NOPS) in New Orleans East. In Docket UD-16-02, Resolution R-18-65 (2018), DSCEJ challenged Entergy's justification for the gas-fired plant, including its pollution and claims regarding capacity and reliability; ENONAC also opposed the project.[88, 89, 90] Following allegations that Entergy used paid actors to influence public hearings, the Council launched an investigation under Resolution R-18-474 (2018). DSCEJ called for greater accountability, stating that the conduct undermined meaningful public participation. The Council ultimately ordered Entergy to pay $5 million.[91, 92]

DSCEJ also advocated for broader reform in the planning and regulation of the city's electric system. In Docket UD-17-01, Resolution R-17-332 (2017), DSCEJ supported stronger Integrated Resource Planning requirements, including better forecasting, meaningful public participation, and consideration of environmental impacts.[93] In response to ongoing reliability

[85] New Orleans City Council. (2017). *Resolution R-17-427*, p. 3; Windy Beck, Deep South Center for Environmental Justice, interview with Just Solutions, July 2026.
[86] U.S. Government Accountability Office. (March 2021). *Electricity Grid Resilience: Climate Change Is Expected to Have Far-Reaching Effects and DOE and FERC Should Take Actions*. GAO-21-346.
[87] New Orleans City Council. (effective May 1, 1954, as amended through January 1, 2020). Home Rule Charter. Chapter 1. - Powers.
[88] Alliance for Affordable Energy UD-16-02 Entergy New Orleans New Orleans Power Station Cost Recovery (undated). Entergy New Orleans, Inc.'s application for a RICE or a combustion turbine, gas fired, peaking power plant.
[89] The Council of The City of New Orleans. (March 8, 2018). Minutes. Pg. 13.
[90] New Orleans City Council. (March 8, 2018). Regular City Council. Time 2:23:55 - Monique Harden attorney for DSCEJ; Time 3:13:45 - Dawn Hebert Executive Director of ENONAC
[91] The Council of the City of New Orleans. (April 11, 2019). Minutes. Consent Agenda Item 1.
[92] Entergy (March 25, 2019). Entergy New Orleans, LLC's Payment in Settlement of the Council's Show Cause Proceeding Initiated on October 31, 2018 Pursuant to Council Resolution No. R-18-474.
[93] The Council of the City of New Orleans. (July 13, 2017). Minutes. Consent Agenda Item 32.

concerns, DSCEJ backed stronger performance standards in Docket UD-17-04, Resolution R-22-73 (2022), which introduced reliability metrics and penalties for persistent distribution-system failures.[94]

Renewable and Clean Energy Policy

A major milestone was the development of New Orleans' Renewable and Clean Portfolio Standard (RCPS). Starting with Docket UD-19-01 and Resolution R-19-109 (2019), DSCEJ and partners advocated for stronger renewable-energy requirements for over two years.[95] The City Council adopted the RCPS through Resolution R-21-182 on May 20, 2021. It established requirements for a transition to zero-carbon electricity, with targets of net-zero carbon-emission resources by 2040 and 100% zero-carbon-emission resources by 2050, subject to provisions including a cost cap and requirements concerning local resources.[96, 97]

The RCPS built on earlier City policies supporting energy efficiency, distributed generation, rooftop solar, and community solar. For DSCEJ and its partners, its adoption represented an important shift from reliance on centralized generation toward a broader energy portfolio that includes renewable energy, energy efficiency, demand-side resources, storage, and distributed energy resources.

From Renewable Policy to Distributed Energy

New Orleans subsequently expanded the policy framework for distributed energy through community solar. Community solar rules created a pathway for residents without home ownership or suitable rooftops to participate in solar generation. Resolution R-23-507 (2023) further established rules governing community solar development, subscriptions, bill credits, and customer protections.[98, 99]

Federal infrastructure and climate investments have provided additional resources for solar and energy efficiency. In 2024, the City received federal Energy Efficiency and Conservation Block Grant funding and relaunched Solar for All NOLA to expand access to solar, battery storage, and energy-efficiency improvements.[100]

Together, these policies and investments reflect a longer history of community advocacy for a more reliable, affordable, equitable, and resilient energy system. They also helped establish

[94] The Council of the City of New Orleans (February 16, 2023). Regular Session, February 16, 2023 Motions/Resolutions Numbers: 63 - 83. Pgs 12-18
[95] Deep South Center for Environmental Justice. (May 25, 2022). Groups Urge Gov. Edwards to Establish State Energy to Compete for Federal Funds.
[96] The Council of the City of New Orleans. (May 20, 2021). Minutes. Pg 26.
[97] Regular City Council. (May 20, 2021). Minutes. Time: 52:15 - Dr. Beverly Wright Executive Director of DSCEJ: Time: 54:15 - Monique Harden Attorney for DSCEJ
[98] New Orleans City Council. (November 2, 2023). Minutes. Pg. 14. Agenda Item 23.
[99] Regular City Council Meeting. (November 2, 2023). Minutes. Time 3:11:00
[100] City of New Orleans, (March 19, 2024). City of New Orleans Awarded Funding from U.S. Department of Energy for Public Efficiency Campaign.

the policy foundation for moving beyond individual renewable-energy projects toward a more coordinated approach to distributed energy, including battery storage and other resources that can strengthen reliability and resilience across the city.

In 2025, following advocacy from community groups including Together New Orleans and the Alliance for Affordable Energy, the New Orleans City Council authorized the city's first Distributed Energy Resource Program. The program is funded with $28 million from a federal regulatory settlement over Grand Gulf nuclear plant costs charged to Entergy New Orleans customers.[101] Using settlement funds allows the program to provide incentives without creating a new charge for ratepayers.[102]

The program is designed to deliver both broader grid benefits and improved energy resilience for residents and community institutions. It does so by supporting customer-sited batteries that can provide backup power during outages and be coordinated as a virtual power plant to reduce grid strain during peak demand. A virtual power plant is a group of connected energy systems that can operate together like a single power plant.[103] The program also sets aside 40% of residential funding for low- and moderate-income households and supports projects at community institutions, helping address historic inequities and climate vulnerabilities in New Orleans.[104]

New Orleans experiences frequent outages from both major storms and routine equipment failures. Hurricanes and extreme weather can also lead to widespread, prolonged disruptions to the electrical grid. Distributed energy resources add protection by locating power generation and battery storage closer to homes and businesses.
Customer-sited batteries supply backup power during outages, reduce grid demand in normal conditions, and support critical facilities in emergencies. A distributed battery network also lessens dependence on a single centralized system and helps neighborhoods recover faster after major outage events. The program complements, but does not replace, efforts to strengthen the traditional electric grid.

As implementation moves forward, the program's benefits will depend on whether incentives make participation financially feasible, whether enrollment and interconnection processes are accessible, how battery dispatch affects customers' backup-power needs, and whether administration remains sufficiently independent and vendor-neutral.[105]

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[101] Council of the City of New Orleans Advisors. (July 16, 2025). *Advisors' Report Regarding Parties' Proposed Distributed Energy Resource Programs and Policies.* Docket No. UD-24-02.
[102] New Orleans City Council. (December 18, 2025). *Resolution and Order Approving a DER Program*. Docket No. UD-24-02, Resolution No. R-25-669; Entergy New Orleans, LLC. (March 2, 2026). *Energy Smart Battery Energy Storage System Pilot Phase 3 Implementation Plan*. Docket No. UD-24-02.
[103] Entergy New Orleans, LLC. *Phase 3 Implementation Plan*; U.S. Department of Energy. "Virtual Power Plants." Accessed July 23, 2026.
[104] Alliance for Affordable Energy. "New Orleans City Council Advances Landmark Investment in Battery Storage." Accessed July 23, 2026; Together New Orleans and Alliance for Affordable Energy. *Memo Regarding DER Program Implementation*.
[105] Entergy New Orleans, LLC. *Phase 3 Implementation Plan*; New Orleans City Council. *Resolution No. R-26-150*.

Potential Benefits of the DER Program

New Orleans' distributed energy resource program provides upfront incentives for solar-paired battery systems at homes, businesses, and community institutions. The batteries can also be coordinated to reduce peak demand and provide support to the electric grid through a virtual power plant.[106] The program's potential benefits, which will depend on implementation to realize, include:

Resilience: **Provides backup power for residents and community institutions during hurricanes, extreme heat, and other grid outages**. Entergy's proposed implementation plan estimates that the program could add about 460 battery system installations annually over its three-year duration, providing backup power during outages. The extent of this benefit will depend on equipment requirements and program rules governing battery dispatch and storm preparation[107]

Reliability: **Uses stored battery power during periods of peak demand** to reduce strain on the electric grid and potentially prevent localized "load pocket" outages. Entergy's proposed implementation plan of the program estimates it could add 18.3 megawatts of battery capacity in the first three years through a virtual power plant.[108]

Climate & Health: **Could reduce greenhouse-gas and health-damaging air pollutant emissions** by reducing reliance on fossil-fueled generation during periods of peak demand. The scale of these benefits will depend on when the batteries are charged and discharged and whether their use actually reduces fossil-fuel generation rather than shifting electricity generation to a different time.[109]

Affordability: **Authorizes up to $28 million in utility settlement funds to provide upfront battery incentives.** Utility settlement credits are intended to offset program costs and prevent a net increase in customer rates, although actual bill impacts will depend on implementation and available offsets. Residential participants may also receive annual payments of $125 per average kilowatt delivered during demand-response events, capped at $600 per year.[110] More broadly, reducing peak demand could help lower electricity costs for all customers.

Env Justice: **The program sets aside 40% of residential incentive funding for low- and moderate-income customers** and provides higher upfront incentives of up to $480 per kilowatt-hour of battery capacity. It also allocates half of total incentive funding to residential projects.[111]

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[106] New Orleans City Council. *Resolution and Order Approving a DER Program*; Entergy New Orleans, LLC. *Phase 3 Implementation Plan*.
[107] Entergy New Orleans, LLC. *Phase 3 Implementation Plan.*
[108] Entergy New Orleans, LLC. *Phase 3 Implementation Plan.*; *Midcontinent Independent System Operator. (2025). May 25 Load Shed Event Report*.
[109] Together New Orleans and Alliance for Affordable Energy. *Proposal Pursuant to Resolution R-24-624*; Together New Orleans and Alliance for Affordable Energy. *DER Program Principles.*
[110] New Orleans City Council. *Resolution and Order Approving a DER Program*; Entergy New Orleans, LLC. *Phase 3 Implementation Plan.*
[111] New Orleans City Council. *Resolution and Order Approving a DER Program.*

The Details: How Does the Program Work?

The New Orleans Distributed Energy Resource Program is authorized to operate for three years through Phase 3 of Entergy New Orleans' existing battery storage pilot. Entergy New Orleans will administer the program through Energy Smart, and customers who receive upfront battery incentives must participate in the demand-response program for at least seven years. Enrolled batteries will be managed through a distributed energy resource management platform so they can respond together during periods of high electricity demand.[112] The proposed plan estimates that the program could add approximately 18.3 megawatts of battery capacity and support about 460 installations annually.[113]

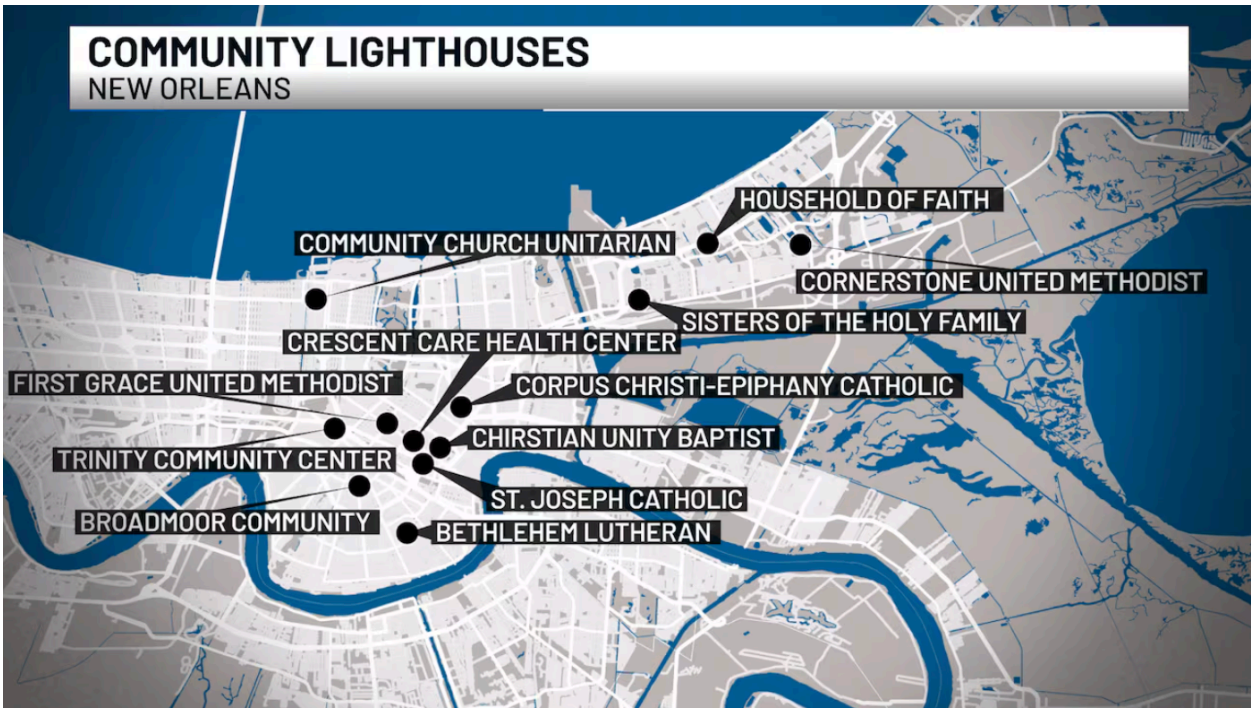
Because the program is still in the planning and early implementation stages, key details about customer outreach, enrollment, and access remain under development.

How Did We Get Here?

New Orleans has faced repeated and prolonged power outages, including widespread outages following Hurricane Ida in 2021. However, Louisiana's reliability challenges extend beyond major storms. Louisiana ranks among the states with the highest outage frequency and duration, including on "non-event" days when no major weather event has occurred.[114] These ongoing reliability challenges can disrupt essential services and have increased the need for accessible backup power at homes and community institutions.

In 2024, the New Orleans City Council approached Together New Orleans and the Alliance for Affordable Energy to develop a proposal for using utility settlement funds to expand distributed energy resources. The Council's interest was informed in part by Together New Orleans' Community Lighthouse network initiative, which equips churches and other neighborhood institutions with solar and battery backup. During outages, these sites can remain open and provide electricity, cooling, food, charging, and other essential services to nearby residents. The network was built in response to a legacy of grid outages that have disproportionately affected New Orleans' most vulnerable communities.[115]

[112] Entergy New Orleans, LLC. *Phase 3 Implementation Plan.*
[113] Entergy New Orleans, LLC. *Phase 3 Implementation Plan.*
[114] U.S. Energy Information Administration. "Electric Power Industry Reliability Statistics, 2024." Accessed July 23, 2026.
[115] Together New Orleans. "Community Lighthouse." Accessed July 23, 2026.



Existing Community Lighthouse locations in New Orleans as of July 2024.
Source: WVUE Fox 8, using information from Together New Orleans.

Building on that model, Together New Orleans and the Alliance for Affordable Energy developed a broader proposal to support batteries at homes, businesses, and community resilience hubs while also reducing peak demand and contributing to a virtual power plant. Their proposal ultimately called for using up to $32 million in utility settlement credits and for creating a vendor-neutral program.[116]

In October 2024, the Council opened Docket UD-24-02 to examine distributed energy resource policies, funding mechanisms, customer incentives, and the design of a vendor-neutral battery and microgrid program. During 2025, Entergy New Orleans, community organizations, solar companies, and other stakeholders submitted additional proposals and comments on the program's design.[117]

In December 2025, the Council approved a three-year program with $28 million for customer incentives. Entergy New Orleans filed its initial proposed implementation plan in March 2026. The Council and parties subsequently continued reviewing and revising the proposal through additional resolutions, comments, and supplemental filings. Questions concerning enrollment, compensation, backup-power protections, vendor participation, and program administration remain under consideration.[118]

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[116] Together New Orleans and Alliance for Affordable Energy. *Proposal Pursuant to Resolution R-24-624*.
[117] New Orleans City Council. *Resolution No. R-24-624*; Council of the City of New Orleans Advisors. *Advisors' Report Regarding Parties' Proposed Distributed Energy Resource Programs and Policies*.
[118] New Orleans City Council. *Resolution and Order Approving a DER Program*; Entergy New Orleans, LLC. *Phase 3 Implementation Plan*; New Orleans City Council. *Resolution No. R-26-150*.

Community Based Organization Highlights: Perspectives on Program Design and Implementation

Deep South Center for Environmental Justice

The Deep South Center for Environmental Justice (DSCEJ) addresses utility reliability, housing and weatherization, household energy burden, and neighborhood exposure to power plant pollution. A key focus is empowering residents to engage in City Council and regulatory processes through education, technical assistance, and advocacy. DSCEJ and ENONAC have also urged the New Orleans City Council to adopt the renewable portfolio standard that excludes nuclear energy, citing concerns about radioactive waste, higher utility costs, and pollution that harms communities and contributes to climate impacts

DSCEJ continues to work alongside the Alliance for Affordable Energy, Energy Future New Orleans, and other community organizations on energy issues before the New Orleans City Council and has highlighted the Distributed Energy Resource Program's potential to strengthen household and community energy resilience. As implementation moves forward, DSCEJ is focused on ensuring that the program reaches low- and moderate-income households and community institutions, including those without existing solar. DSCEJ has raised the need for gap financing or other financial support to help households and community institutions without existing solar cover the added cost of installing it.[119]

Alliance for Affordable Energy

The Alliance for Affordable Energy is a New Orleans-based consumer advocacy organization focused on utility accountability, affordability, reliability, and equitable access to clean energy. Working with Together New Orleans, a grassroots coalition of congregations and other community organizations, the Alliance for Affordable Energy helped shape the proposal for the city's first Distributed Energy Resource Program. The proposal drew on Together New Orleans' community organizing and Community Lighthouse work, as well as the Alliance's experience with utility regulation and consumer advocacy.

A central priority for the Alliance has been ensuring that low-income households are not excluded by the upfront cost of buying and installing a battery. The program provides low- and moderate-income households with an upfront rebate of up to $480 for each kilowatt-hour of installed battery capacity. Participants may also receive performance payments for providing stored power during demand-response events. The Alliance has emphasized that the upfront rebate must be sufficient to make participation financially feasible for households that cannot otherwise cover the installation cost.

As the program moves into implementation, the Alliance continues to focus on upfront incentive levels, low-income participation, interconnection rules, and program administration.[120]

[119] Deep South Center for Environmental Justice. "Projects" and "Impact." Accessed July 2026; Windy Beck, Deep South Center for Environmental Justice, conversation with Just Solutions staff, July 24, 2026.
[120] Alliance for Affordable Energy. "New Orleans City Council Advances Landmark Investment in Battery Storage." Accessed July 2026; Together New Orleans and Alliance for Affordable Energy. *DER Program Principles*; Jesse George, Policy Director, Alliance for Affordable Energy, conversation with Just Solutions staff, June 9, 2026.

What Challenges Remain?

Implementation of the Distributed Energy Resource Program is still underway. It remains to be seen whether the upfront incentives will support broad participation, especially among low- and moderate-income households, how interconnection requirements will shape participation, and whether customer-sited batteries will improve affordability and reliability.[121]

Other challenges include:

- **The adequacy of incentives and access for households and community institutions without pre-existing solar:** Because the program provides incentives only for batteries paired with solar, some participants may first need to install solar, adding substantial upfront costs. Although the program provides higher incentives for low- and moderate-income households, participation will depend in part on whether those incentives reduce the remaining upfront costs enough to make solar and battery installation affordable. Without additional financing support for solar installation, participation could favor households and institutions that already have solar.[122]
- **Interconnection and program access:** Customers must receive approval from Entergy New Orleans to connect their solar and battery systems to the distribution grid. Interconnection timelines, requirements, and costs may affect project development and customer participation.[123]
- **Customer-sited batteries in reliability planning:** It remains unclear how customer-sited batteries will be considered alongside proposed utility grid investments in future reliability planning.[124]

[121] Jesse George, Policy Director, Alliance for Affordable Energy. Conversation with Just Solutions staff, June 9, 2026; Together New Orleans and Alliance for Affordable Energy. *DER Program Principles*.
[122] Entergy New Orleans, LLC. *Phase 3 Implementation Plan*; Jesse George, Policy Director, Alliance for Affordable Energy. Conversation with Just Solutions staff, June 9, 2026; Windy Beck, Deep South Center for Environmental Justice, conversation with Just Solutions staff, July 24, 2026.
[123] Jesse George, Policy Director, Alliance for Affordable Energy. Conversation with Just Solutions staff, June 9, 2026; Together New Orleans and Alliance for Affordable Energy. *DER Program Principles*.
[124] Jesse George, Policy Director, Alliance for Affordable Energy. Conversation with Just Solutions staff, June 9, 2026.

What Other States Are Doing

States have taken different approaches to supporting customer-sited battery storage and coordinating batteries as virtual power plants. Some programs provide upfront incentives for installation, while others compensate participants for providing stored power during periods of high demand.

- **California Demand Side Grid Support Program (2022)**
    - Grid participation: California's Demand Side Grid Support Program compensates customers and aggregators for reducing electricity use or supplying stored power during extreme grid events. By October 2024, the program had enrolled 515 megawatts of capacity from more than 265,000 participants.
    - Upfront incentives: California provides separate upfront battery rebates through the Self-Generation Incentive Program, including higher incentives for low-income households.[125]
- **Connecticut Energy Storage Solutions (2022)**
    - Incentive structure: Residential customers who enroll a qualifying battery may receive $30 for each kilowatt-hour of battery storage capacity, or $130 per kilowatt-hour in designated Grid-Edge areas with above-average outage frequency.
    - Performance incentives and equity: Participants may also receive annual payments for making their batteries available during grid events. Residential rates are $300 per kilowatt per year, $450 for customers in designated underserved communities, and $550 for low-income customers.
    - Program scale: As of February 2026, the program had approved nearly 15 megawatts of residential battery storage and more than 140 megawatts of commercial and industrial projects.[126]
- **Texas Aggregate Distributed Energy Resources Pilot (2022)**
    - Market access: The pilot allows aggregators to combine customer-sited batteries, backup generators, and other distributed resources and bid them into the ERCOT wholesale electricity market as a single resource.

[125] California Energy Commission. (October 15, 2024). *California's Demand Side Grid Support Program Grows to 500 Megawatts of Capacity*; California Energy Commission. "Demand Side Grid Support Program." Accessed July 23, 2026; California Public Utilities Commission. "Participating in the Self-Generation Incentive Program." Accessed July 23, 2026.
[126] Connecticut Public Utilities Regulatory Authority. "Energy Storage Solutions Program." Accessed July 23, 2026; Energy Storage Solutions. "Program Changes for April 1, 2026." Accessed July 23, 2026; Connecticut Green Bank. (February 2, 2026). *Connecticut's Energy Storage Solutions Program Adopts New Performance-Based Framework to Deliver Greater Value for Ratepayers and Customers*.

- Program scale: ERCOT increased the pilot's registered system-wide capacity limit from 160 megawatts to 200 megawatts in October 2025 and from 200 megawatts to 500 megawatts in March 2026.
- Limitations: The pilot focuses on giving aggregated distributed resources access to the wholesale market. It does not reduce the upfront cost of purchasing or installing customer-sited batteries.[127]

Moving Forward

New Orleans' Distributed Energy Resource Program has the potential to improve reliability and support energy affordability while making battery storage more accessible to households and community institutions in a city where residents face frequent outages and unaffordable energy bills. However, important implementation decisions remain, including the level of upfront incentives, support for low-income participation, interconnection requirements, and the role of customer-sited batteries in future reliability planning.

[127] Electric Reliability Council of Texas. "Aggregate Distributed Energy Resource Pilot Project." Accessed July 23, 2026; Electric Reliability Council of Texas. (October 24, 2025). *Aggregate Distributed Energy Resource Pilot Project: Adjustments to Limits of Participation*; Electric Reliability Council of Texas. (March 2, 2026). *Updates to ADER Pilot Participation Limits*.

Part III: Insights Across Policy

Design: Who Is In the Room?

When EJ groups are brought in and engaged directly, it shapes how impactful a policy can be for communities. In Minnesota, a broad coalition formed early in 2019 to craft the bill, but EJ and Indigenous groups were largely left out until late in the process. The resulting vagueness in the law's EJ provisions wasn't just a byproduct of that exclusion; it was also a deliberate compromise to be sure as many people could sign on to the law. Specific carveouts and definitions were left to the regulatory process. That vagueness has since become a source of contention over how the law is implemented at the PUC, though the outcome of that fight remains unresolved. In New Jersey, organizing on the equity side of the program is largely happening after program design, with advocates pushing from the outside during implementation. And in New Orleans, EJ advocates were directly contacted and brought in to help design and propose the program from the beginning; equity terms (which are binding) were built in from the start, not added after late consultation.

Inside vs. Outside Strategy

Inside vs. outside advocacy as a strategy is worth naming directly. In New Jersey, the New Jersey Environmental Justice Alliance (NJEJA) has looked to influence the formal regulatory process, advocating as Phase 1 moves toward Phase 2 for an incentive structure that better serves overburdened communities, rather than sitting at the table when the program's incentive structure was first designed. That's a legitimate and necessary form of pressure, but it also means EJ priorities are working to reshape a program after its basic terms are already set, which is a harder position than being in the room at the outset. Contrast this with New Orleans: the coalition (Together New Orleans and the Alliance for Affordable Energy) worked directly with the City Council from the docket's opening, which is why the program's equity terms read as specific and load-bearing rather than aspirational.

Drafting: Mandates vs. Vague Requirements

Across all three cases, the strongest predictor of whether equity provisions survived implementation was whether they were written in terms of numbers or intentions. Minnesota's law directs utilities to take "reasonable actions" on EJ, without setting firm targets or defining key terms in the statute itself. This vagueness didn't stay theoretical — it became the PUC's problem to solve. The PUC has had to interpret what counts as "carbon-free" and has done so through a life-cycle accounting framework that EJ advocates argue lets biomass and waste-to-energy resources qualify in ways that undercut the law's

intent and continue to pollute local communities. Renewable energy credit-banking and geographic decoupling compound the problem, allowing compliance to be met through credits generated far from the communities the law was meant to benefit. None of this required anyone to break the law — the law simply never specified enough to prevent it.

New Jersey's approach is more concrete: equity is written into the program as a procurement preference, with bidders allowed up to a 10% cost premium for community-benefit projects. That's a real, legally enforceable rule, not just a goal. But a preference is still not a requirement, and Phase 1 results show the gap that the Woods Landing project is expected to create jobs and support site cleanup, but it's not clear whether those benefits reach the overburdened communities the program is meant to serve. So while the rule shapes bidding, it doesn't guarantee outcomes.

New Orleans is the clearest contrast. The settlement doesn't ask Entergy to consider low-income households; it explicitly reserves 40% of residential program funds for them, sets an incentive of up to $480/kWh, and is designed so that none of it comes from new ratepayer charges. Those are numbers a utility can be held to, not language it can interpret its way around. It's also the newest and least-tested of the three programs, but so far it's the one with the least room for the kind of drift Minnesota is now experiencing.

Numbers, Not Intentions

The lesson holds across all three: legislative and regulatory language that specifies numbers is what holds up once implementation begins, while aspirational language ("reasonable actions," "community benefit preference") becomes the next fight rather than the resolution of the current one. That's as much a drafting lesson for federal EJ provisions as it is a negotiating lesson for state coalitions: the work to get numbers into the text, at the design stage, is the fight that actually determines what the law does later. It also has a real cost: vague provisions don't create one fight; they scatter it across multiple dockets and implementation proceedings, putting the burden on community organizations to keep showing up, often without dedicated funding.

Implementation: The Second Campaign

Each one of these cases confirms that passage or approval from a decisionmaker is not the finish line. Implementation is a fight in itself. In Minnesota, the real contest over what "carbon-free" means directly affects how EJ provisions are enforced and is happening now at the PUC, years after the bill was signed. In New Jersey, Phase 1 of the storage program is running behind schedule, with the legislature already having to step in once to extend it by just a year. In New Orleans, the most concrete equity terms of the three programs are still

prospective: the program is too new for its LMI set-asides to have been tested against real deployment yet.

A recurring issue across the cases is the use of data and measurement gaps to defer accountability rather than resolve it: New Jersey's regulators have explicitly cited data availability problems as a reason to postpone an emissions-based incentive, rather than as a problem to be solved before moving forward. And in all three cases, the utility itself has substantial discretion over implementation details that were never fully resolved in the original law, program, or settlement.

Coalitions need to plan for a second campaign at the implementation stage from the outset. The organizations still showing up at PUC dockets and utility filings years after passage are doing work that's as consequential as the original campaign. Funders should resource that work accordingly.

Financing: Who Pays Matters

Who pays for these programs matters as much as what the programs promise. New Orleans and New Jersey both went out of their way to avoid raising costs on ratepayers: New Orleans funded its program through utility settlement funds rather than a rate increase, and New Jersey structured its storage program without a new ratepayer charge. This was a deliberate choice that closed off the most obvious political attack line against clean energy programs, that they raise electric bills, before it could be used. But Minnesota's compliance structure creates a version of the same risk in reverse. Because utilities can meet the law's targets through renewable energy credits generated anywhere, there's no guarantee that the ratepayers who are funding compliance are the same people receiving the benefit. Minnesota's law compounds this further with a built-in affordability off-ramp: if compliance is deemed too costly, utilities can seek relief from the PUC and aren't required to comply.

Providing "no new cost to ratepayers" isn't just a technical funding choice; it's a politically durable framing, and it's worth building into program design deliberately, when possible, rather than treating it as an afterthought.

Emerging Threats: Power Hungry Data Centers

Clean energy policies are implemented in an energy system that continues to change. Rapid growth in electricity demand from data centers and other large loads can undermine affordability, emissions, and EJ if that new demand is used to justify shifting new infrastructure costs onto existing customers, or to justify new (or prolonged) fossil generation and investments in technologies that create safety risks for EJ communities.

Minnesota and New Jersey illustrate two different ways that risk can emerge. Minnesota's concerns are on the supply side: utilities assume that new large-load growth, including from data centers, could require additional fossil generation, potentially complicating implementation of the carbon-free electricity standard. New Jersey's concerns are on the demand side and in the affordability tension: growing data-center demand is contributing to higher peak demand, which has helped drive up costs that are passed on to other customers.

Together, these cases show why clean-energy policy should address issues related to data centers and large load users as part of clean energy implementation, tackling head-on questions around who pays for new generation and grid infrastructure, whether new loads are served with additional clean resources, and whether any new generation creates additional burdens impacting EJ communities.

Part IV: Key Lessons

Playbook Comparison

	Minnesota	New Jersey	New Orleans
Policy Vehicle	New legislation, HF7	State regulatory program under existing statute (2018 Clean Energy Act)	Local utility docket/settlement (City Council authority over Entergy)
Who Acted	State legislature	New Jersey Board of Public Utilities	New Orleans City Council + Entergy New Orleans
Time to Adoption	~4 years, first introduced in 2019 and passed in 2023	~7 years (Executive Order in 2018 to program launch in 2025, implementation ongoing)	~14 months (docket opened in 2024, approved in Dec. 2025, implementation ongoing)
Enforceability	Statutory targets are left largely to the public utility commission (PUC) to define.	Procurement rule (up to 10% cost premium allowed for community benefit projects)	City Council Resolution and Settlement terms with a specific amount of funds for Low-to-Moderate Income communities.
New legislation required?	Yes	No — implemented under existing law	No — local regulatory docket process

Snapshot of Key Lessons

Across all three cases, a few lessons for advocates and policymakers are key to ensuring durable climate policy that decarbonizes the power sector while creating benefits for those most impacted by it.

For Advocates:

- **Push for health and economic benefits for EJ communities as numbers, not intentions:** Legislative and regulatory language, at any level of government, should specify the number rather than deferring the definition to a future rulemaking.
- **Plan a second campaign for implementation.** Minnesota's biggest fights are happening at the PUC years after passage, New Jersey's Phase 1 is behind schedule, and New Orleans's equity terms haven't been tested yet. Coalitions and funders should expect and resource this work.
- **Working in regulatory venues is as important as working in the legislature:** Where a legislature has already passed a bill or even is closed to a campaign, public utility commission dockets are a legitimate route to the same kind of durable win. If you want to record replicable state models, you should be looking at that venue as seriously as you look at statehouses.

For Policymakers:

- **EJ leadership should be in the room at the policy design stage, not just the advocacy stage.** When EJ leaders are involved in writing proposals and policies, the impacts are more likely to be felt in ways that benefit communities. New Orleans's coalition was in the room from the docket's opening; Minnesota's and New Jersey's EJ organizing arrived later and has had to push from outside ever since. Getting in early matters.
- **Design programs to avoid any new costs to ratepayers:** There will likely be pushback from utilities, but program design is possible, and the political durability is worth it. Where “no new cost” isn’t achievable, make the economic case directly: quantify the bill reductions or other economic benefits the investment delivers, even if partly rate-funded, so affordability stays part of the story either way.

- **Address the risks of new large loads such as hyperscale data centers:** Data centers and hyperscalers can put pressure on clean energy progress from both the supply and demand sides. Advocates should ensure that large-load growth does not serve as a justification for new or extended fossil-fuel infrastructure or for shifting costs onto existing customers.



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