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January 30, 2026

VIA E-MAIL

Ms. Jillian Alexander
Environmental Justice Project Coordinator
New Jersey Department of Environmental Protection
Office of the Commissioner
Office of Environmental Justice
401 East State Street, 7th Floor East Wing
Mail Code: 402
Trenton, New Jersey 08626

Re: Passaic Valley Sewerage Commission
Standby Power Generation Facility
Permit Activity Number: BOP210002
Semi-Annual Environmental Justice Compliance Report
Reporting Period: July 1, 2025 through December 31, 2025

Dear Ms. Alexander:

In accordance with the Passaic Valley Sewerage Commission's Air Pollution Control Permit Significant Modification (Permit Activity Number BOP210002, Program Interest Number 07349), enclosed please find PVSC's Semi-Annual Environmental Justice Compliance Report for the reporting period of July 1, 2025, through December 31, 2025.

The report will also be furnished to the Ironbound Community Corporation and posted to PVSC's website.

Should you have any questions, or require additional information, please call me at (973) 817-5980.

Sincerely,

PASSAIC VALLEY SEWERAGE COMMISSION



Thomas A. Laustsen PE, BCEE
Chief Operating Officer

c: Danny Wong, NJDEP
Hazel Applewhite, Chief Executive Officer, ICC
Gregory Tramontozzi, Esq., Executive Director, PVSC
Craig Spencer, Plant Superintendent, PVSC
Patricia Lopes, Dir. of Process Control Engineering and Regulatory Compliance, PVSC
John Bolcar, PE, Chief Engineer, PVSC
Michael D. Witt, Esq., General Counsel, PVSC

Semi-Annual Environmental Justice Compliance Report
PVSC Standby Power Generation Facility (SPGF)
Permit Activity Number: BOP210002
Program Interest Number: 07349
GR2 EJ Special Conditions
Reporting Period: July 1, 2025, through December 31, 2025

- 1. Ref. No. 1 (Special Condition 1):** PVSC is authorized to operate the combustion gas turbine (CTGs) under the following conditions:
 - a. Up to forty-eight (48) hours in advance of a storm event with notice to the Department via 1-877-WARN DEP, the Ironbound Community Corporation and through a public notice on PVSC's website.
 - i. "Storm event" is defined as: storms determined by the New Jersey Office of Emergency Management as having the capability of disrupting power service to the facility.
 - ii. Maximum annual hours: 960 total (2 units x 10 storm events).
 - b. Emergency Operation where a power outage has occurred because of an emergency; or a voltage reduction issued by PJM and posted on the PJM internet website (www.pjm.com) under the "emergency procedures" menu with notice to the Department via 1-877-WARN DEP, the Ironbound Community Corporation and through a public notice on PVSC's website.
 - i. An emergency is defined as any situation that arises from sudden and reasonably unforeseeable events beyond the control of an owner or operator of a facility, such as an unforeseen system capacity shortage caused by an act of God, that requires immediate corrective action to prevent system collapse or to restore normal operations at the facility. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- Hours of SPGF operation for storm events during reporting period: 0 hours.
- Hours of SPGF operation for non-storm emergency events during reporting period: 0 hours.
- Hours of SPGF operation for PJM voltage reduction request during reporting period: 0 hours.

Total hours of emergency operation during reporting period: 0 hours.

- 2. Ref. No. 2 (Special Condition 1, continued):** PVSC is authorized to operate the combustion gas turbine (CTGs) under the following conditions:
 - c. Once per month for necessary testing and maintenance upon 48 hours' notice to the

Department via 1-877-W ARN DEP, the Ironbound Community Corporation and through a public notice on PVSC's website.

- i. Testing and maintenance operations shall be conducted each month but are not authorized for a unit in months where that unit has already operated.
- ii. Maximum annual hours: 288 (96 per unit)
- iii. Maximum monthly hours: 24 (total)
- iv. Maximum daily hours: 8 (per unit)

- d. Maximum total annual hours of CTG operation for storm event preparation and testing and maintenance are not to exceed 1,248 hours.
- e. CTG operation, including black start capability, under (a) and (b) above may only be commenced where options for utilization of onsite renewable energy source (i.e. battery, solar or other future installations) have been exhausted. This does not apply to the operation of the CTGs during storm preparation mode. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- Dates of maintenance operations: none.
- Monthly hours of maintenance operation during reporting period: 0 hours.
- Daily hours of maintenance operation per unit during reporting period: 0 hours.

Total hours of maintenance operation for the calendar year to date: 0 hours

3. Total SPGF run hours to date for calendar year: 0 hours.

(Emergency + Maintenance)

4. Ref No. 3 (Special Condition 2): Decommission Operations and Maintenance (O&M) Building Boilers #2 and #3 listed as U11 in PVSC's Title V Air Pollution Control Operating Permit by December 31, 2027, unless a written request is submitted to and approved, in writing, by the Department. PVSC shall provide proof of decommissioning to the Department, the Ironbound Community Corporation and through a public notice on PVSC's website. If PVSC chooses to replace the equipment, the new equipment must be powered by a renewable energy source. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- Hazen and Sawyer, the consultant providing design services for the decommission of the boilers submitted a 45% Design Drawings and Specifications Review Set on November 19, 2025..
- PVSC reviewed the 45% Design Review Set and provided comments back to Hazen and Sawyer on January 4, 2026.

- Meeting set for January 21, 2026, to discuss the 45% Design Review Set comments and general project progress.
- Hazen and Sawyer will review the 45% Design Set comments and incorporate into their 90% Design Review Set which PVSC is expected to receive by March 31, 2026.

5. **Ref. No. 4 (Special Condition 3):** Decommission the Head End Emergency Generator (600-kilowatt (kW) diesel engine generator) listed as U102 OS1 “CAT 600” in PVSC’s Title V Permit within 120 days of completing commissioning of the SPGF, unless a written request is submitted to and approved, in writing, by the Department. PVSC shall provide proof of decommissioning to the Department, the Ironbound Community Corporation, and through a public notice on PVSC’s website. If PVSC chooses to replace the equipment, the new equipment must be powered by a renewable energy source. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- Progress/completion of this item is dependent on the SPGF project being constructed and placed into operation. Due to the SPGF project being temporarily halted by court order, no activity is currently taking place with regard to this item.

6. **Ref. No. 5 (Special Condition 4):** Decommission two Oxygen Production Boilers designated as U5 Oxygen Production Boilers 1 & 2 in the Title V Permit by December 31, 2027, unless a written request to extend completion of the Oxygen Production Facility Replacement Project is submitted to and approved in writing by the Department. PVSC shall provide proof of decommissioning to the Department, the Ironbound Community Corporation and through a public notice on PVSC’s website. If PVSC chooses to replace the equipment, the new equipment must be powered by a renewable energy source. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- PVSC rebid for the procurement of the equipment necessary to upgrade the Oxygen Production Facility. On October 24, 2025, PVSC received two (2) bids. Both bids were found to be unresponsive and rejected by vote of the Commissioners on December 11, 2025.
- In accordance with New Jersey Local Public Contracts Law NJS.A 40A:11-5(3), PVSC is now able to negotiate with the bidders.
- Upcoming reporting period activities include negotiating and executing an agreement to procure with the equipment provider.

7. **Ref. No. 6 (Special Condition 5):** Decommission two Grit and Screening Boilers designated as U7 Grit and Screening Boilers 1 & 2 in the Title V Permit by December 31, 2025, unless a written request is submitted to and approved in writing, by the Department. PVSC shall provide proof of decommissioning to the Department, the Ironbound Community Corporation and

through a public notice on PVSC's website. If PVSC chooses to replace the equipment, the new equipment must be powered by a renewable energy source. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- Boilers have been decommissioned. Documentation was submitted to the Department and Ironbound Community Corporation and posted to PVSC's website on December 2nd, 2025.

8. Ref. No. 7 (Special Condition 6): Install additional air pollution control equipment to the four Sludge Heat Treatment ("Zimpro") Boilers listed as U20 in the Title V Permit by December 31, 2027, unless a written extension request is submitted to and approved by the Department. PVSC shall apply to the Department to install and operate State-of-the-Art air pollution control devices, including, but not limited to, selective catalytic reduction (SCR) and oxidation catalyst (OC) systems by June 30, 2026, unless a written extension request is submitted to and approved, in writing, by the Department. If PVSC chooses to replace any of the four boilers, the new units must be powered by a renewable energy source. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- Project Kickoff meeting for the design portion of the project was held on August 6, 2025 with the consultant Black and Veatch Corporation.
- The consultant reviewed boiler operating data, specifically exhaust temperatures. Based on historical boiler exhaust temperatures and anticipated future boiler operating scenarios, a design envelope of inlet gas temperature into the SCRs was determined.
- The consultant performed site investigation and developed two alternative SCR installation arrangements (differing locations).
- The consultant developed a draft of the equipment procurement contract (RFQ\P) for the Emission Control System. The RFQ\P describes Vendor selection criteria and includes the equipment contract that would be executed consisting of Terms & Conditions, Performance Guarantees, Agreement, and Technical Specifications among other required forms. Technical Specifications are for the following equipment: SCR, Oxidation Catalyst, Ammonia Feed System, CFD Modeling, structural steel, and control system.
- Upcoming reporting period activities include the consultant continue working to finalize a single recommended installation location as the basis of design to develop detailed bid documents.

9. Ref. No. 8 (Special Condition 7): Install the maximum feasible and no less than five (5) MW of solar panels at the PVSC Facility by December 31, 2026, unless a written extension request is submitted to and approved by the Department. By or before June 30, 2025, PVSC shall submit to the Department a feasibility study analyzing the maximum feasible solar capacity

and proposing an installation schedule for the Facility. The feasibility study shall be distributed to the Ironbound Community Corporation and through public notice on PVSC's website. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- On August 8, 2025, PVSC signed a Power Purchase Agreement (PPA) with CenterPoint Properties (Centerpoint) to install nearly 2 MW of solar at 49 Rutherford Street. Solar generated from CenterPoint would be directly connected to behind PVSCs meter. In November 2025, CenterPoint Properties' engineer performed a site visit to investigate the point of interconnection at PVSCs electrical switchgear. Centerpoint has submitted a contract for turn-key construction drawings and permits from their general contractor through internal workflow for approval.
- Equipment stored on the PVSC property was relocated and staged to the final clarifier walkways in anticipation that installation would be forthcoming.
- Ground penetrating radar of the south final clarifier walkways has been performed, anchor bolts and columns have been installed. On the north final clarifier walkways, pilot holes for installation of the columns are in progress. Special inspection is being performed weekly when there is active installation work.
- The structural steel for the final clarifier walkway solar panels was delivered to the job site.
- The contractor is preparing for the installation of the equipment by submitting installation plans.
- PVSC executed a change order to move forward with the remaining floodwall solar installation.
- Upcoming reporting period activities include preparation and submittal of structural design drawings to the New Jersey Department of Community Affairs (DCA) fro the installation of solar panels on the floodwall and installation of the final clarifier walkway solar panels.

10. Ref. No. 9 (Special Condition 8): Install the maximum feasible and no less than five (5) MW of battery storage capacity at the PVSC Facility by December 31, 2026, unless a written request is submitted to and approved, in writing, by the Department. By or before Jun 30, 2025, PVSC shall submit to the Department a feasibility study analyzing the maximum feasible battery storage capacity and proposing an installation schedule for the Facility. The feasibility study shall be distributed to the Ironbound Community Corporation and through a public notice on PVSC's website. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- PVSC met with PSE&G to discuss the interconnection application for the battery energy

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storage system (BESS).

- PVSC engaged Black & Veatch (B&V) as the consultant for Design and Design Services During Construction for the BESS project.
- A kickoff meeting was held with the consultant and they submitted a BESS Recommendation Report. The report recommended a 5 MW, 2-hour BESS be installed.
- Upcoming reporting period activities include the consultant issuing a recommendation for the type of BESS to be procured, preparation of the necessary NJDEP permits including a Tidal Flood Hazard Land Use Permit, continued meetings with the consultant and the supplier and installer of the BESS, and procurement contract for long lead items equipment (BESS batteries, transformers, switchgear).

11. Ref. No. 10 (Special Condition 9): PVSC shall initiate the transition of the CTGs from natural gas to green hydrogen or another technically feasible renewable fuel source within 120 days of commissioning the SPGF, unless a written request is submitted to and approved, in writing, by the Department. By and before June 30, 2025, PVSC shall submit to the Department a feasibility study analyzing the transition options and proposing a transition schedule for the Facility. The feasibility study shall be distributed to the Ironbound Community Corporation and through a public notice on PVSC's website. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- As reported previously, on June 30, 2025, PVSC submitted a feasibility study to NJDEP and ICC entitled "Transition to Hydrogen Fueled Combustion Turbines Feasibility Study," dated June 30, 2025, to the NJDEP on June 30, 2025, which identifies four scenarios and concludes that only 5% green hydrogen cofiring during an 8-hour monthly event derived from 5MW of solar power could be confidently implemented within 120 days of commissioning the SPFG.
- Upcoming reporting activities include the continued evaluation of feasibility to transition the turbines to green hydrogen, including the availability of green hydrogen and the feasibility to generate and store green hydrogen onsite.

12. Ref. No. 11 (Special Condition 10): PVSC shall submit a semi-annual Environmental Justice Compliance Report (Report) to the Department on January 31 and July 31 of each year. The report shall address each Special Condition and include (a) restatement of the condition, (b) summary of PVSC's efforts to fulfill the condition, (c) a detailed explanation of the compliance activities undertaken during the preceding six-month reporting period, and (d) a description of compliance activities anticipated in the forthcoming six-month reporting period. PVSC shall distribute each Report to the Ironbound Community Corporation and through a public notice on PVSC's website. The semi-annual reporting will be deemed complete once all Special Conditions have been met. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- This semi-annual Environmental Justice Compliance Report, dated January 31, 2026, was submitted to the Department, the Ironbound Community Corporation, and through a public

notice on PVSC's website.

13. Ref. No. 12 (Special Condition 11): Failure to comply with any Special Condition shall be deemed an ongoing violation of PVSC's Title V Permit that constitutes grounds for revocation of authority to operate the SPGF. [N.J.S.A. 13:1D-160(d)]

Activities Undertaken:

- All conditions are being addressed as discussed above.