

Method for considering community benefits in selection and award procedure for transmission-scale projects

In its [June 18, 2025 Order](#) launching the Garden State Energy Storage Program, the Board approved Staff's recommendation that it retain discretion to award incentives to bids no more than ten percent higher than the lowest rejected bid price in the same solicitation, provided... "the Board determines that awarding incentives to these more expensive transmission-scale energy storage systems instead of lower bidders is in the public interest after considering qualitative factors such as brownfield redevelopment, demonstrated benefits to overburdened communities where a transmission-scale energy storage system is proposed to be located, and/or other community benefits." (Order at p 23)

Staff intends to consider community benefits in its recommendation of which bids to recommend for incentive awards using the following steps:

1. Assign a Community Benefits Score or "CBS" (0 – 100 points) to each bid, using Staff's qualitative assessment of demonstrated community benefits using the scoring matrix shown below.
2. Derive a Community Benefits Adjustment Factor or "CBAF" for each bid using the formula:
$$\text{CBAF} = (\text{CBS} \div 100) * (10 \div 110)$$
3. Derive a Community Benefits Adjusted Bid Price or "CBABP" for each bid, where ABP is the as-bid price in \$/MW, using the formula:
$$\text{CBABP} = \text{ABP} * (1 - \text{CBAF})$$
4. Award recommendations will be made based on price-ranking according to the CBABP. However, projects that are selected for award will still receive incentives based on their as-bid price. CBABP is calculated *only* for the purpose of ranking bids for selection recommendation purposes.

For a walkthrough of the Community Benefits Scoring Method please click [here](#).

The following table is the scoring matrix Staff intends to use to assign a Community Benefits Score to each complete bid received.

Category/Criteria	Score
A. General Community Benefits	
i. Community outreach performed and the extent to which community feedback has been incorporated	
ii. Economic impact, including but not limited to job creation, increase in wages, taxes, in-state expenditures, and state gross product within the host municipality	
iii. Evidence of community support from the host municipality (e.g., a letter of support from municipality)	
General community benefits score:	_____ (out of 34 pts)
B. Demonstrated benefits to overburdened communities (OBC) where Project is proposed to be located	
i. Community outreach performed and the extent to which community feedback has been incorporated, <i>specifically within OBCs</i> .	
ii. Economic impact <i>specifically within OBCs</i> , including but not limited to job creation, increase in wages, taxes, and expenditures within the OBC.	
iii. Evidence that the Project minimizes or mitigates existing environmental, health or other impacts affecting OBC host communities (other than brownfields redevelopment).	
Benefits to OBCs score:	_____ (out of 33 pts)
C. Brownfield Redevelopment	
i. Licensed Site Remediation Professional (LSRP) remedial action approval of proposed battery storage project on a brownfield. A "brownfield" may be a site on the New Jersey Department of Environmental Protection's Known Contaminated Sites List or Brownfield Inventory. See Contaminated Site Remediation & Redevelopment (CSRR), N.J. Dep't of Env'tl. Protection, https://dep.nj.gov/srp/kcsnj/ (last updated Mar. 8, 2024); Brownfield Inventory for New Jersey, N.J. Dep't of Env'tl. Protection Bureau of GIS, https://gisdata.njdep.opendata.arcgis.com/datasets/njdep::brownfield-inventory-for-new-jersey/about (last updated May 29, 2025)	

Brownfield redevelopment score:

_____ (out of 33 pts)

TOTAL COMMUNITY BENEFITS SCORE

_____ (out of 100 pts)

(Sum of A, B, and C scores)

Example of Community Benefits Adjusted Bid Price calculation.

1. Bidder A submits an application with a bid price of \$50,000/MW. This is the As-Bid price or “ABP”.
2. After reviewing evidence of community benefits in Bidder A’s application against the categories and criteria outlined above, Staff award Bidder A the following scores for community benefits:
 - a. General Community Benefits: 23 out of 34
 - b. Benefits to Overburdened Communities: 30 out of 33
 - c. Brownfield Redevelopment: 33 out of 33
3. The three community benefit category scores sum to 86 out of 100
4. Staff will calculate a Community Benefits Adjustment Factor or “CBAF”. Using this example, the formula for calculating the CBAF would be:
 - *Community Benefits Adjustment Factor* = $(86 \div 100) * (10 \div 110)$
 - *Community Benefits Adjustment Factor* = 0.0782
5. Staff will then derive the Community Benefits Adjusted Bid Price or “CBABP” for Bidder A’s application. Selection decisions will be based on the CBABP. If awarded, contract incentive levels will be based on the ABP. Using this example, the formula for calculating the CBABP would be:
 - *Community Benefits Adjusted Bid Price* = $\$50,000 * (1 - 0.0782)$
 - *Community Benefits Adjusted Bid Price* = \$46,090/MW