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STEPHEN D. MARKS
TOWNSHIP MANAGER

MEMORANDUM

TO: THE HONORABLE MAYOR AND COUNCIL
FROM: STEPHEN D. MARKS, TOWNSHIP MANAGER
DATE: SEPTEMBER 15, 2026
RE: PSEG NEED FOR ELECTRICAL SUBSTATION

Please accept this memo outlining the timeline of PSEG's proposal to build a new electrical substation in Montclair. In 2023, PSEG notified municipal officials that the circa 1925 electrical substation was nearing the end of its useful life and would need to be replaced. PSEG began a multi-year process of looking for suitable locations. In 2024, PSEG expressed interest in 651-665 Bloomfield Ave. immediately adjacent to the existing electrical substation. However, representatives of the Montclair Center Business Improvement District objected to the proposed location within the commercial district.

On June 24, 2025, PSEG Project Manager Alan Yeung sent a letter stating the public utility's need to replace the electrical substation located at 60 Valley Road. At a subsequent meeting, PSEG representatives expressed interest in the Montclair Police Department building and parking lot because of its close proximity to the existing substation. In fact, PSEG representatives Gary Williams and Alan Yeung appeared before the Mayor and Council on August 12, 2025, and made a presentation about replacing the current substation (Montclair Township Council Meeting - August 12, 2025). However, logistical challenges related to relocating the Police Department, the congestion of existing underground utilities, and potential nearby objectors made the site more challenging and less desirable.

In January 2026, the Facilities and Infrastructure Committee conducted a community meeting to discuss the possibility of replacing the existing municipal complex. On May 6, 2026, a PSEG representative sent a letter to the township expressing interest in the municipal complex site for the proposed new electrical substation. PSEG representatives have stated that the site's central location and lack of existing underground utilities (congestion) make the site more attractive than the previously considered locations. Since that time, municipal officials have engaged attorneys to represent the township in dealing with PSEG and real estate appraisers to develop valuations of the municipal complex and alternate locations.

By designating the municipal complex located at 205 Claremont Ave., 57 Park Street, and 68 North Fullerton Ave. as an area in need of redevelopment and adopting a redevelopment plan, municipal officials will continue negotiating with PSEG. Working with PSEG to build a new electrical substation will eliminate the power outages that Montclair frequently experiences. In addition, replacing the 100-year-old electrical substation will ensure energy reliability into the future.