



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CLEAN ENERGY

IN THE MATTER OF COMPREHENSIVE ENERGY )  
EFFICIENCY AND RENEWABLE ENERGY RESOURCE )  
ANALYSIS FOR 2009 -2012: MODIFICATION TO THE )  
2009 COMFORT PARTNERS PROGRAM BUDGET )

ORDER

DOCKET NO. EO07030203

BY THE BOARD:

This Order memorializes action by the Board of Public Utilities to modify the 2009 Comfort Partners Program Budget as approved by Order dated January 8, 2009, Docket No. EO07030203.

Background and Procedural History

By Order dated January 8, 2009, Docket No. EO07030203, the Board approved 2009 programs and budgets including a compliance filing submitted by PSE&G by letter dated December 1, 2008 on behalf of the State's seven natural gas and electric utilities. This compliance filing will be referred to as "the Utility 2009 compliance filing." The Utility 2009 compliance filing included detailed budgets for the Residential Low-income ("Comfort Partners") Program.

The utility compliance filing included a detailed Comfort Partners budget for each utility that was rolled up into a statewide budget for the program. The statewide budget of \$36,309,764.38 included \$3,391,899 for New Jersey Natural Gas Company ("NJNG") and \$5,091,920.38 for certain pilot programs described in the filing.

By letter dated November 24, 2009, NJNG submitted a request to transfer \$400,000 from the pilot programs component of the Comfort Partners budget to the NJNG component of the Comfort Partners budget. NJNG's letter indicated that the pilot programs component of the budget was under spent. However, NJNG represented that it has experienced a higher than usual number of requests for the replacement of heating systems and that the average cost per home treated has increased. NJNG seeks the transfer of \$400,000 as a result of these events.

Staff notes that both the overall spending for the Comfort Partners program and spending related to the pilot programs are estimated to be below the 2009 statewide budget approved by the Board. Staff believes that approval of the request to transfer \$400,000 to the NJNG component of the Comfort Partners budget will allow NJNG to treat additional low-income homes that would otherwise not receive program services in 2009. The overall statewide budget for the Comfort Partners program would remain unchanged. Based on the above, Staff recommends approval of NJNG's request to transfer funds.

The following table shows the proposed revisions to NJNG's Comfort Partners 2009 budget:

| NJNG 2009 Comfort Partners Budget |                   |                             |  |          |                                  |                                     |                       |                        |
|-----------------------------------|-------------------|-----------------------------|--|----------|----------------------------------|-------------------------------------|-----------------------|------------------------|
|                                   | Total 2009 Budget | Admin & Program Development | Sales, marketing, call center, website | Training | Rebates, other direct incentives | Rebate Processing, inspections & QA | Evaluation & Research | Performance Incentives |
| Original                          | \$3,391,899       | \$200,005                   | \$111,763                              | \$29,500 | \$2,944,631                      | \$95,000                            | \$6,000               | \$5,000                |
| Change                            | \$400,000         |                             |  | \$3,000  | \$367,000                        | \$30,000                            |                       |                        |
| New                               | \$3,791,899       | \$200,005                   | \$111,763                              | \$32,500 | \$3,311,631                      | \$125,000                           | \$6,000               | \$5,000                |

The pilot program component of the 2009 Comfort Partners program budget would be reduced by \$400,000, or from \$5,091,920.38 to \$4,691,920.38, to offset the proposed increase to NJNG's Comfort Partners budget.

#### Discussion and Findings

NJNG has submitted a request to transfer \$400,000 from the Pilot Programs component of the Comfort Partners budget to the NJNG component of the Comfort Partners budget. NJNG indicated that the Pilot Programs component of the budget was under spent, that NJNG experienced a higher than usual number of requests for the replacement of heating systems, and that the average cost per home treated has increased. Staff recommended approval of the proposed budget modification.

Approval of the request to transfer \$400,000 to the NJNG component of the Comfort Partners budget will allow NJNG to treat additional low-income homes that would otherwise not receive program services in 2009. Even with the approval of this transfer, the overall statewide budget for the Comfort Partners program would remain unchanged.

The Board **HEREBY FINDS** that both the overall spending and the spending related to the pilot component of the Comfort Partners program are estimated to be below the 2009 statewide budget approved by the Board. The Board **FURTHER FINDS** the proposed changes to the budget and the recommendation to be reasonable.

Based on the foregoing, the Board **HEREBY APPROVES** the modifications to the Comfort Partners budget recommended by Staff and proposed by NJNG in its letter dated November 24, 2009.

DATED: *12/17/09*  
*December 17, 2009*

BOARD OF PUBLIC UTILITIES  
By:

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JEANNE M. FOX  
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ELIZABETH RANDALL  
COMMISSIONER

ATTEST:  
*Kristi Izzo*  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities

*Kristi Izzo*