



Agenda Date: 8/14/24
Agenda Item: 8E

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF NEW JERSEY CLEAN ENERGY)	ORDER
PROGRAM FISCAL YEAR 2024 COMMUNITY ENERGY)	
PLAN GRANT PROGRAM)	DOCKET NO. QO23090714
)	
IN THE MATTER OF NEW JERSEY CLEAN ENERGY)	
PROGRAM FISCAL YEAR 2024 COMMUNITY ENERGY)	
PLAN IMPLEMENTATION GRANT PROGRAM)	DOCKET NO. QO23100729

Party of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities (“Board” or “BPU”) considers applications received for participation in the Community Energy Plan Grant (“CEPG”) Program and the Community Energy Plan Implementation (“CEPI”) Grant Program.

BACKGROUND AND PROCEDURAL HISTORY

The Board created the CEPG Program in 2019 with the purpose of providing grants to municipalities throughout New Jersey to create localized energy plans that are aligned with the goals of New Jersey’s Energy Master Plan (“EMP”).¹ The EMP goals chosen for inclusion in CEPG are associated with EMP Strategies one (1), two (2), three (3), four (4), six (6), and seven (7). The Board partners with Sustainable Jersey for the purposes of CEPG, wherein Sustainable Jersey assists with program design and provides technical assistance to awardees selected to participate in CEPG.²

¹ In re the Clean Energy Programs and Budget for Fiscal Year 2019 Trued Up and Revised Budget, BPU Docket No. QO18040393, Order dated March 29, 2019. See also New Jersey Board of Public Utilities, 2019 New Jersey Energy Master Plan.

² For more information about Sustainable Jersey, a non-profit organization, please visit <https://www.sustainablejersey.com>.

In 2021, following the selection of grantees for the first year of the CEPG Program (“Program Year 1”), the Board requested its Division of Clean Energy’s Office of Clean Energy Equity to evaluate CEPG Program results from Program Year 1 with a focus on prioritizing low- and moderate-income communities and removing barriers to participation. In October 2021, the Board approved the recommended changes for the second iteration of the CEPG Program (“Program Year 2”).³

Among the changes was the creation of overburdened municipalities (“OBMs”). The original criteria to determine OBMs was as follows:

1. The municipality has more than 50% of its population living in an Overburdened Community (“OBC”) Census Block as defined by the New Jersey Department of Environmental Protection (“NJDEP”) pursuant to New Jersey’s Environmental Justice Law, N.J.S.A. 13:1D-157 et seq.; and
2. The municipality meets one (1) or more of the following criteria (either a or b):
 - a. More than thirty-five percent (35%) of the municipality’s population lives under 200% of the poverty level according to the U.S. Census 2019 American Community Survey (“ACS”) data; or
 - b. The municipality is categorized as “distressed” [a score of fifty (50) or higher] as defined by the New Jersey Department of Community Affairs’ (“NJDEP”) Municipal Revitalization Index (“MRI”).

On June 8, 2022, the Board approved Program Year 2 grant awards for forty-six (46) municipalities, twenty-four (24) of which were OBMs.⁴ The grant term for Program Year 2 was from June 2022 until November 2023.

³ In re the New Jersey Clean Energy Program Fiscal Year 2022 Community Energy Planning, BPU Docket No. QO21091113, Order dated October 6, 2021.

⁴ In re New Jersey Clean Energy Program Fiscal Year 2022 Community Energy Planning, BPU Docket No. QO21091113, Order dated June 8, 2022.

The Board approved the opening of the third year of the CEPG Program (“Program Year 3”), as well as the establishment of the CEPI Grant Program, on November 17, 2023.⁵ CEPG was again evaluated based on lessons learned from Program Year 2, and Board Staff (“Staff”) recommended changes to the CEPG Program, including a shortened program timeline and revised criteria to determine OBMs. The new OBM criteria for Program Year 3 is as follows:

1. The municipality has over fifty percent (50%) of its population living in an OBC Census Block, as such term is defined by the New Jersey Department of Environmental Protection pursuant to New Jersey’s Environmental Justice Law, N.J.S.A. 13:1D-157 et seq.; and
2. The municipality meets one (1) or both of the following criteria (either A or B):
 - a. Over thirty-five percent (35%) of the population is living under 200% of the poverty level according to U.S. Census 2021 ACS data; or
 - b. The municipality has a distress score of forty (40) or higher according to NJDCA’s MRI.

Under Program Year 3 of the CEPG Program, municipalities are eligible to receive a \$10,000 grant award and technical assistance from Sustainable Jersey to establish a Community Energy Plan that is consistent with the goals of the New Jersey Energy Master Plan. OBMs are entitled to an enhanced award of \$25,000 and priority technical assistance from Sustainable Jersey. Grant funds must only be used to develop Community Energy Plans and to fund activities that support the creation of said plans. The approved budget for Plan Year 3 of the CEPG Grant Program is \$4,574,034.⁶ The program timeline for Plan Year 3 of the CEPG Grant Program is twelve (12) months.

The CEPI Grant Program offers municipalities in New Jersey up to \$250,000 in funding to implement clean energy, renewable energy, and energy efficiency projects in their respective communities. The program was designed to complement the work completed through CEPG, supporting municipalities in implementing high-priority, high-impact, practical, and cost-effective municipal projects that were identified in their Community Energy Plans or equivalent plans. A total of \$3,414,180 is available through the CEPI Grant Program and, of that total, \$2,414,180 is funding received from the United States Department of Energy (“DOE”) pursuant to its Energy Efficiency and Conservation Block Grant (“EECBG”) Program, and \$1,000,000 in funding from New Jersey’s Clean Energy Fund.⁷

Under the CEPI Grant Program, eligible municipalities can apply to receive up to \$250,000 in grant funding to be used to assist with the implementation of projects to carry out each municipalities’ Community Energy Plan, or an equivalent plan. To be eligible under the CEPI Grant Program, municipalities must have either: (a) a completed Community Energy Plan through the Board’s CEPG Grant Program; or (b) a plan equivalent to a Community Energy Plan that addresses many of the components of CEPG. At least 40% of the CEPI Grant funds must be

⁵ In re New Jersey Clean Energy Program Fiscal Year 2024 Community Energy Plan Grant Program and In re New Jersey Clean Energy Program Fiscal Year 2024 Community Energy Plan Implementation Grant Program, BPU Docket Nos. QO23090714 and QO23100729, Order dated November 17, 2023.

⁶ In re New Jersey Clean Energy Program Fiscal Year 2024 Community Energy Plan Grant Program and In re New Jersey Clean Energy Program Fiscal Year 2024 Community Energy Plan Implementation Grant Program, BPU Docket Nos. QO23090714 and QO23100729, Order dated November 17, 2023.

⁷ Id.

awarded to OBMs. Additionally, at least 60% of CEPI Grant Funds must be awarded to municipalities that are not eligible for direct formula funding through the EECBG Program.

Funds awarded under the CEPI Grant Program must be used to fund one or several approved clean energy, renewable energy, or energy efficiency projects at a local level. In the event that there are program funds remaining after all eligible projects have been evaluated, applicants can receive funding for one (1) additional project above the \$250,000 funding cap.

Municipalities applying for the CEPI Grant Program are eligible to receive up to \$250,000 in funding for one or several projects. The applications for both programs were opened on December 17, 2023, and closed on May 24, 2024. Pursuant to N.J.S.A. 52:14-34.4, a Notice of Funding Availability (“NOFA”) for both the CEPG Grant Program and the CEPI Grant Program were published in the New Jersey Register on May 6, 2024.

DISCUSSION AND FINDINGS

With respect to the CEPG Program, the Board received ninety-two (92) CEPG Grant Program applications for Program Year 3. For an application to be deemed administratively complete, the NOFA required municipalities’ applications to contain: 1) a completed application form; 2) applicant contact information; 3) a completed, signed, and notarized certification of accuracy to the contents of the application; and 4) an executed municipal resolution containing language supporting their CEPG Grant Program application. Of the ninety-two (92) CEPG Grant Program applications for Program Year 3, the Board **HEREBY FINDS** that all ninety-two (92) municipalities, as identified in Appendix 1, submitted administratively complete applications.

Of the ninety-two (92) administratively complete applications filed under Program Year 3 of the CEPG Grant Program, fifteen (15) were submitted by OBMs. Accordingly, the Board **HEREBY DIRECTS** Staff to issue CEPG Grant awards to the ninety-two (92) municipalities identified in Appendix 1. The Board **HEREBY ORDERS** that the fifteen (15) OBMs are to receive the enhanced award of \$25,000 and shall have priority for technical assistance from Sustainable New Jersey over non-OBM awardees. The total dollar amount for all Program Year 3 CEPG Program awards is \$1,145,000. The Board **FURTHER ORDERS** that all CEPG Program funds must be used exclusively to develop Community Energy Plans and to fund activities that support the creation of said plans.

The Board **HEREBY DIRECTS** that all CEPG Program awardees must, upon completion, submit to the Board their completed Community Energy Plan, a fully executed resolution adopting the plan, and a final CEPG expenditure report and performance report by the end of the grant term. Additionally, the Board **FURTHER ORDERS** that, beginning three (3) months following receipt of its CEPG Program award, awardees receiving a \$25,000 award must begin submitting quarterly CEPG expenditure reports detailing its use of the CEPG Program funding. The Board **FURTHER ORDERS** that, upon the conclusion of the Program Year 3 CEPG Program term (which is one (1) year following its \$25,000 CEPG Program award) awardees must submit one final expenditure report to the Board. The Board **FURTHER ORDERS** that all non-OBM awardees under Program Year 3 of the CEPG Program must submit one final CEPG expenditure report to the Board at the conclusion of the one (1) year CEPG Program term. The final CEPG performance report and the CEPG expenditure report will be provided to successful applicants before the end of their CEPG grant term.

With respect to the CEPI Grant Program, the Board received a total of twenty-nine (29) applications from twenty-nine (29) eligible municipalities, which contained eighty-eight (88) project

proposals. Of the twenty-nine (29) applications filed by eligible municipalities, the Board **HEREBY FINDS** that all twenty-nine (29) were administratively complete in accordance with the instructions contained in the CEPI Grant Program NOFA. The total number of project proposals in those applications deemed administratively complete was eighty-eight (88). The total value of CEPI Grant Program project proposals in those administratively complete applications was \$13,751,410.37, a figure well above the Program's budget of \$3,414,180. As such, not all eligible municipalities that submitted administratively complete applications and not every project proposal were able to be selected for an award under the CEPI Grant Program. As noted previously, the Board is required by the Federal Government to award at least forty percent (40%) of CEPI Grant Funds to OBMs and to simultaneously ensure that at least sixty percent (60%) of CEPI Grant Funds are awarded to municipalities which are not eligible for direct formula funding through the EECBG.

The Board used evaluating factors developed by Staff to score CEPI Grant Program project proposals. First, all municipalities received set points based on their distress score according to the New Jersey Department of Community Affairs' ("NJDCA") Municipal Revitalization Index ("MRI").⁸ The MRI is used to determine the distress level of municipalities across the state, and those with higher scores are more in need of assistance than those with lower scores. Next, projects were marked as either pre-selected projects, which are standard projects that are known to be effective at reducing emissions and/or energy usage, or as custom projects, intended for novel projects designed by municipalities that were not already in widespread use. All projects were then evaluated based on proximity to project implementation, the likelihood of success based on a variety of factors, the plan for sustaining a project through and after the grant term, and how innovative a project was and how likely it could be replicated by other municipalities.

In addition, custom projects were evaluated on their estimated impact on greenhouse gas reductions, the size of the population that stood to benefit from the implementation of a project, and any associated co-benefits, including health, equity, economic, or other relevant impacts.

Once scores were assigned to each project proposal, the Board selected project proposals with the highest scores while adhering to the requirements of the Federal Government. As such, in order to meet the threshold that forty percent (40%) of CEPI Grant Program funds are awarded to OBMs, the Board ensured that at least \$1,365,672 was awarded to OBMs. Project proposals located in OBMs were awarded to those with the highest score until the threshold of \$1,365,672 was reached. At that point, project proposals with the highest scores were selected, in descending order, until there were insufficient CEPI Grant Program funds remaining to fund further projects. Additionally, the Board ensured that at least sixty percent (60%) of the CEPI Grant Program budget, or \$2,048,508, was awarded to projects in municipalities that were not eligible for direct formula funding through the EECBG.

Accordingly, based on an evaluation of each administratively complete application, and in accordance with the evaluation and selection criteria described above, the Board **HEREBY DIRECTS** Staff to issue CEPI Grant awards to the sixteen (16) municipalities identified in Appendix 2. A list of each of the eighteen (18) project proposals is also contained in Appendix 2. The Board **HEREBY ORDERS** all selected municipalities to use their CEPI Grant Program awards exclusively to fund those projects contained in their application to the Board.

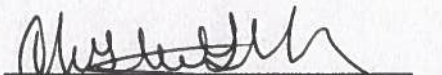
⁸ New Jersey Department of Community Affairs, 2020 Municipal Revitalization Index, https://www.nj.gov/dca/home/pdf/2020_MRI_Scores_and_Rankings.xlsx

The Board **FURTHER ORDERS** that all CEPI Grant Program awardees must submit a final CEPI expenditure report and CEPI performance report to the Board within sixty (60) days of the CEPI Program Grant term – which is two (2) years following their CEPI Program Grant award. Additionally, selected CEPI Grant Program awardees are **FURTHER DIRECTED** to comply with all federal reporting requirements in connection with the CEPI Grant Program funds, which will be provided to selected applicants following receipt of its award. Similar to CEPG, the CEPI expenditure report and the final CEPI performance report will be provided to successful applicants before the end of their CEPI grant terms.

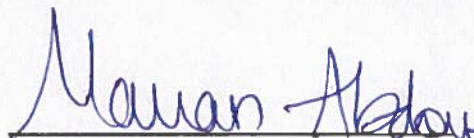
This Order shall be effective on August 21, 2024.

DATED: August 14, 2024

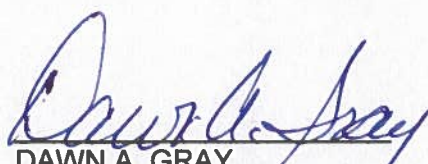
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COMMISSIONER


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MICHAEL BANGE
COMMISSIONER

ATTEST: 
DAWN A. GRAY
EXECUTIVE ASSISTANT

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

IN THE MATTER OF NEW JERSEY CLEAN ENERGY PROGRAM FISCAL YEAR 2024 COMMUNITY ENERGY
PLAN GRANT PROGRAM
DOCKET NO. QO23090714

IN THE MATTER OF NEW JERSEY CLEAN ENERGY PROGRAM FISCAL YEAR 2024 COMMUNITY ENERGY
PLAN IMPLEMENTATION GRANT PROGRAM
DOCKET NO. QO23100729

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Appendix 1: Approved Recipients of CEPG PY3 Awards

Applicant Name	County	Award Amount
Bridgeton City	Cumberland	\$25,000.00
Burlington City	Burlington	\$25,000.00
Cape May City	Cape May	\$25,000.00
East Orange City	Essex	\$25,000.00
Fairview Borough	Bergen	\$25,000.00
Kearny Township	Hudson	\$25,000.00
Lakewood Township	Ocean	\$25,000.00
Long Branch City	Monmouth	\$25,000.00
Mount Holly Township	Burlington	\$25,000.00
North Bergen Township	Hudson	\$25,000.00
Passaic City	Passaic	\$25,000.00
Pemberton Township	Burlington	\$25,000.00
Pennsauken Township	Camden	\$25,000.00
Pine Hill Borough	Camden	\$25,000.00
Roselle Borough	Union	\$25,000.00
Allamuchy Township	Warren	\$10,000.00
Belleville Township	Essex	\$10,000.00
Belmar Borough	Monmouth	\$10,000.00
Berkeley Heights Township	Union	\$10,000.00
Bogota Borough	Bergen	\$10,000.00
Boonton Township	Morris	\$10,000.00
Burlington Township	Burlington	\$10,000.00
Cartaret Borough	Middlesex	\$10,000.00
Chatham Borough	Morris	\$10,000.00
Clinton Township	Hunterdon	\$10,000.00
Closter Borough	Bergen	\$10,000.00
Cranbury Township	Middlesex	\$10,000.00
Downe Township	Cumberland	\$10,000.00
East Brunswick Township	Middlesex	\$10,000.00
East Rutherford Borough	Bergen	\$10,000.00
Eatontown Borough	Monmouth	\$10,000.00
Fair Lawn Borough	Bergen	\$10,000.00
Fanwood Borough	Union	\$10,000.00
Fort Lee Borough	Bergen	\$10,000.00

Franklin Township (Hunterdon)	Hunterdon	\$10,000.00
Glen Rock Borough	Bergen	\$10,000.00
Gloucester Township	Camden	\$10,000.00
Hammonton Township	Atlantic	\$10,000.00
Helmetta Borough	Middlesex	\$10,000.00
Hillside Township	Union	\$10,000.00
Holmdel Township	Monmouth	\$10,000.00
Hopatcong Borough	Sussex	\$10,000.00
Hopewell Township (Mercer)	Mercer	\$10,000.00
Jamesburg Borough	Middlesex	\$10,000.00
Lambertville City	Hunterdon	\$10,000.00
Linwood Township	Atlantic	\$10,000.00
Little Egg Harbor Township	Ocean	\$10,000.00
Long Hill Township	Morris	\$10,000.00
Manchester Township	Ocean	\$10,000.00
Middlesex Borough	Middlesex	\$10,000.00
Millburn Township	Essex	\$10,000.00
Milltown Borough	Middlesex	\$10,000.00
Monmouth Beach Borough	Monmouth	\$10,000.00
Monroe Township (Middlesex)	Middlesex	\$10,000.00
Montclair Township	Essex	\$10,000.00
Montgomery Township	Somerset	\$10,000.00
New Milford Borough	Bergen	\$10,000.00
New Providence Borough	Union	\$10,000.00
Newton Town	Sussex	\$10,000.00
North Arlington Borough	Bergen	\$10,000.00
Oakland Borough	Bergen	\$10,000.00
Ocean Gate Borough	Ocean	\$10,000.00
Ocean Township (Monmouth)	Ocean	\$10,000.00
Oradell Borough	Bergen	\$10,000.00
Palisades Park Borough	Bergen	\$10,000.00
Palmyra Borough	Burlington	\$10,000.00
Pennington Borough	Mercer	\$10,000.00
Point Pleasant Borough	Ocean	\$10,000.00
Pompton Lakes Borough	Passaic	\$10,000.00
Raritan Township	Hunterdon	\$10,000.00
Readington Township	Hunterdon	\$10,000.00

Red Bank Borough	Monmouth	\$10,000.00
Ridgefield Park Village	Bergen	\$10,000.00
Ridgewood Village	Bergen	\$10,000.00
Riverdale Borough	Morris	\$10,000.00
Scotch Plains Township	Union	\$10,000.00
Seaside Park Borough	Ocean	\$10,000.00
Somerville Borough	Somerset	\$10,000.00
South Orange Village	Essex	\$10,000.00
Spring Lake Heights Borough	Monmouth	\$10,000.00
Springfield Township (Burlington)	Burlington	\$10,000.00
Union Township (Union)	Union	\$10,000.00
Verona Township	Essex	\$10,000.00
Waldwick Borough	Bergen	\$10,000.00
Wallington Borough	Bergen	\$10,000.00
Washington Township (Bergen)	Bergen	\$10,000.00
Washington Township (Gloucester)	Gloucester	\$10,000.00
West Milford Township	Passaic	\$10,000.00
West Orange Township	Essex	\$10,000.00
Willingboro Township	Burlington	\$10,000.00
Woodland Park Borough	Passaic	\$10,000.00
Wyckoff Township	Bergen	\$10,000.00

Appendix 2: Approved Recipients of CEPI PY1 Awards

Municipality	Project	Score	Grant	EECBG-eligible	OBM
Atlantic City	Energy Improvements at City Buildings	92.5	\$250,000	Yes	Yes
Pleasantville City	Energy Improvements to all City Buildings in the City of Pleasantville	88.5	\$250,000	No	Yes
Madison Borough	Air-Source Heat Pumps for the Historic Hartley Dodge Memorial Borough Hall	85	\$100,000	No	No
Prospect Park Borough	Direct Installation at Municipal Buildings	81.25	\$90,117.37	No	Yes
Lindenwold Borough	Municipal Building EV Charging Station Installation	80	\$100,000	No	Yes
Perth Amboy City	Energy Efficiency and Weatherization Improvements at the Municipal Sewer Building (2 Second Street) with PSEG Direct Install	79	\$250,000	Yes	Yes
New Brunswick City	Zero Emission Vehicle Charging Infrastructure	78.5	\$250,000	Yes	Yes

Maplewood Township	Installation of a Heat Pump at the Maplewood Police/Court Building	78.5	\$250,000	No	No
Garfield City	Garfield Public EV Charging Station Project	78	\$221,700	No	Yes
Orange Township	Orange CEPI 2024 Public Electric Vehicle (EV) Charging Station Project	77.5	\$56,955	No	No
Orange Township	Orange CEPI 2024 Energy Efficiency Upgrades to Municipal Buildings Project	76.75	\$193,045	No	No
Fairfield Township	Public Charging Stations in Fairfield Township	76	\$250,000	No	Yes
Highland Park Borough	Public EV Charging	75.5	\$250,000	No	No
Paterson City	Paterson Shared Mobility Program	75	\$250,000	Yes	Yes
Madison Borough	All-electric retrofit of a historic downtown building acquired by the Borough	73.5	\$100,000	No	No

Westfield Township	Charging Ahead: Empowering Westfield Police Department with first EV Patrol Vehicle	73.5	\$160,269.21	No	No
Egg Harbor City	Installation of Public EV Charging Stations	73	\$128,000	No	Yes
Hoboken City	Public EV Charging	73	\$250,000	Yes	No