



Agenda Date: 4/23/25

Agenda Item: 8I

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

CLEAN ENERGY

IN THE MATTER OF THE UNITED STATES) ORDER
DEPARTMENT OF ENERGY – STATE ENERGY)
PROGRAM – JULY 1, 2025 – JUNE 30, 2026) DOCKET NO. QO25030172

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Michael Ambrosio, Director, Policy and Planning, TRC Environmental Corporation

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities (“Board” or “BPU”) considers the 2025–2026 State Energy Program (“SEP”) Plan for submission to the United States Department of Energy (“USDOE”) at a budget level of \$1,656,220 in new federal funding. The 2025–2026 SEP Plan continues to support the BPU’s Energy and Water Benchmarking Program and the BPU’s electric vehicle (“EV”) program for non-investor-owned utility (“non-IOU”) customers.

BACKGROUND AND PROCEDURAL HISTORY

The SEP was established in 1996 by consolidating two (2) existing programs: 1) the State Energy Conservation Program (“SECP”); and 2) the Institutional Conservation Program (“ICP”).¹ Both the SECP and ICP were established during the energy crisis of the early 1970s when energy prices increased due to the United States’ dependence on foreign oil. Congress responded with legislation establishing a broad range of conservation programs, supporting the development of new and more efficient sources of energy, and requiring the USDOE to lead and administer the conservation effort. The SECP was established under the Energy Policy and Conservation Act of 1975, which provided funding to states for a variety of energy efficiency (“EE”) and renewable energy activities.² The ICP provided schools and hospitals with technical analyses of their buildings and identified the potential savings from proposed energy conservation measures.³ In creating the SEP, the USDOE combined the SECP and ICP to make it easier for states to apply

¹ 61 Fed. Reg. 35,890 (July 8, 1996).

² 42 U.S.C. § 6321 et seq.

³ 42 U.S.C. § 6371 et seq.

for grants and to enable both the USDOE and the states to more efficiently manage the grants.⁴ Thus, the USDOE currently provides federal financial assistance and technical support to the states for energy programs by means of the SEP.⁵ The SEP seeks to promote the efficient use of energy and reduce the rate of growth of energy demand through the development and implementation of specific state energy programs. States must comply with USDOE rules governing these financial awards.⁶

To be eligible for SEP grant funding, a state must submit an annual application executed by the state's Governor or his/her designee to the USDOE. The USDOE must approve the activities that the state is planning to undertake for the fiscal year concerned.

The USDOE allocates federal monies to New Jersey each year in support of the State's USDOE approved SEP Plan, which runs for a standard project period of three (3) years consisting of three (3) one (1)-year budget periods, contingent on the availability of federal funds.⁷ According to USDOE rules, in the first year, applying states must submit a new application, which will be assigned a new grant number and should reflect the first year's USDOE allocation and other funding sources if applicable.⁸ For each of the subsequent years of the project period, each grantee must submit a continuation application reflecting that year's USDOE allocation and any carryover from the previous year.⁹

In 2018, the Clean Energy Act ("CEA")¹⁰ required the Board to direct all building owners and operators of commercial buildings over 25,000 square feet located in New Jersey to benchmark energy and water for the prior calendar year using the U.S. Environmental Protection Agency's ("EPA's") Energy Star Portfolio Manager tool ("Benchmarking Law").¹¹ By Order dated September 7, 2022, the Board authorized Board Staff ("Staff") to implement its proposed plan for effectuating this benchmarking reporting requirement.¹² The Board directed Staff to appoint a Customer Relationship Management ("CRM") vendor to manage the data exchange and communications among the EPA, the Board, building owners and operators, and utility companies.¹³ On August 16, 2023, the Board approved ClearlyEnergy, Inc. as the Board's CRM vendor. For calendar year 2023, 11,892 buildings were covered under the Benchmarking Law.¹⁴ The CRM system partially automates Staff's communications with these buildings' respective owners and operators

⁴ 61 Fed. Reg. 35,891.

⁵ 10 C.F.R. § 420.3.

⁶ See SEP 2025 Administrative and Legal Requirements Document, available at <https://www.energy.gov/sites/default/files/2025-01/sep-alrd-2025.pdf>

⁷ *Id.* at 4.

⁸ *Ibid.*

⁹ *Id.* at 4-5.

¹¹ L. 2018, c. 17 (N.J.S.A. 48:3-87.8 et al.).

¹² N.J.S.A. 48:3-87.10(b). See also <https://www.energystar.gov/buildings/tools-and-resources/porfoliomanager-0>.

¹² *In re the Implementation of P.L. 2018, c.17 – Energy and Water Benchmarking of Commercial Buildings*, BPU Docket No. QO21071023, Order dated September 7, 2022 ("Benchmarking Order").

¹³ Benchmarking Order at 34, 36-37.

¹⁴ Covered Buildings Spreadsheet, available at <https://njcleanenergy.com/commercial-industrial/programs/energy-water-benchmarking/covered-building>.

regarding deadlines, assistance in using the Portfolio Manager tool, and notices of non-compliance for failing to benchmark.¹⁵ The CRM also stores data from Portfolio Manager, building information, building contact information, and communication tracking. The data will be analyzed to improve program performance. On January 15, 2025, the Board approved a modification of the CRM contract scope of work to include bulk mailings and a quarterly newsletter.

On May 10, 2023, the Board approved the Division of Clean Energy's ("DCE's") 2023–2024 SEP Plan for submission to the USDOE at a budget level of \$1,565,500.¹⁶ The 2023-2024 SEP Plan offered financial incentives to non-IOU customers for the purchase and installation of EV charging equipment and for the purchase of EVs through the BPU's current EV incentive programs during the 2023–2024 program year. These EV incentive programs included New Jersey's Charge Up New Jersey ("CUNJ") EV Charger Incentive Program, New Jersey's Multi-Unit Dwelling ("MUD") EV Charger Incentive Program, New Jersey's EV Tourism Program, and New Jersey's Clean Fleet EV Incentive Program.

On May 22, 2024, the Board approved the DCE's 2024–2025 SEP Plan for submission to the USDOE at a budget level of \$1,565,500.¹⁷ The 2024–2025 SEP Plan supported expanded access to benchmarking services through and improvements to the BPU's Energy and Water Benchmarking Program and continued to offer financial incentives to non-IOU customers for the purchase and installation of EV charging equipment and for the purchase of EVs through the BPU's current EV incentive programs during the 2024–2025 program year.

The 2025–2026 SEP Plan will carry over unused funds from the 2024–2025 SEP Plan.

In accordance with the formula provided in 10 C.F.R. § 420.11, New Jersey's 2025–2026 SEP allocation for July 1, 2025 to June 30, 2026 is \$1,656,220. State matching is not required for this funding.

¹⁵ The CRM system will send certain automatic messages to building owners to confirm the receipt of messages and requests. The system will forward communications to Staff when it receives exemption requests or is otherwise unsure how to respond.

¹⁶ In re the United States Department of Energy – State Energy Program – July 1, 2023 – June 30, 2024, BPU Docket No. QO23030172, Order dated May 10, 2023.

¹⁷ In re the United States Department of Energy – State Energy Program – July 1, 2024 – June 30, 2025, BPU Docket No. QO24040208, Order dated May 22, 2024.

STAFF RECOMMENDATIONS

Below are Staff's recommended Program Market Titles for the 2025–2026 SEP Plan, including unspent budgets from the 2024–2025 SEP Plan. The 2025–2026 SEP allocation of \$1,656,220 would be added to the State Energy and Water Benchmarking budget.

Market Title: State Energy and Water Benchmarking

Budget: \$3,221,720 (\$1,656,220 plus \$1,565,500 in carryover funds)

Program Description: Through this Market Title, the 2025–2026 SEP Plan will continue supporting expanded access to benchmarking services to buildings over 25,000 square feet as part of the BPU's Energy and Water Benchmarking Program. It aims to do so in a number of ways, including but not limited to providing funding for the following:

- Utility data aggregation and access services for owners and operators of commercial buildings not required to benchmark by the Benchmarking Law but who would like to voluntarily benchmark, consistent with the process followed by the regulated utilities pursuant to the Benchmarking Order;
- Utility data aggregation and access services for owners and operators of commercial buildings who are served by unregulated utility companies by offering grant funding to non-IOU electric companies and non-regulated water companies to provide these services consistent with the process followed by the regulated utilities pursuant to the Benchmarking Order;
- Deliverables from the CRM vendor such as quarterly newsletter communications to building owners and operators regarding updated information, guidance, and deadlines for the Energy and Water Benchmarking Program; and
- Engaging a third-party vendor or subcontractor to update the list of buildings covered by the Benchmarking Law in each future reporting year.

Market Title: Electric Vehicle Programs for Non-IOU Customers
Budget: \$1,565,500

Program Description: This program continues to offer financial incentives to non-IOU customers for the purchase and installation of EV charging equipment and for the purchase of EVs through the BPU's current EV incentive programs and any future EV incentive programs that the BPU offers during the 2025–2026 program year. Non-IOU customers do not pay a Societal Benefits Charge and therefore do not qualify for State-funded clean energy programs, including the EV programs.¹⁸ The BPU's current EV incentive programs include the following:

i. **New Jersey's Charge Up New Jersey EV Charger Incentive Program**

This EV program is designed to lower the overall cost of EV charger ownership. The CUNJ EV Charger Incentive Program provides a \$250 incentive for the purchase and installation of eligible Level-Two charging stations.¹⁹ The SEP Plan will continue to support expanded program eligibility by offering incentives to non-IOU customers to support the purchase and installation of eligible Level-Two EV charging equipment and will provide up to fifty percent (50%) of the Make-Ready costs, or a maximum of \$5,000, for the residential chargers.²⁰

ii. **New Jersey's MUD EV Charger Incentive Program**

This EV program is designed to encourage owners and operators of MUDs to provide EV chargers for residents and guests. Awards available under New Jersey's MUD EV Charger Incentive Program include \$4,000 toward the purchase of a dual-port, networked, Level-Two EV charging station and fifty percent (50%) of the Make-Ready costs for Level-Two EV chargers or a maximum of \$5,000. The SEP Plan will continue to support expanded program eligibility by offering incentives to non-IOU customers to support the purchase and installation of eligible Level-Two EV charging equipment.

iii. **New Jersey's EV Tourism Program**

This program provides unique attractions and overnight lodging establishments with the opportunity to apply for up to six (6) Level-Two chargers and two (2) Direct Current ("DC") Fast Chargers through this program.²¹ The program provides grants up to \$5,000 for an

¹⁸ As authorized by the Electric Discount and Energy Competition Act (N.J.S.A. 48:3-49 et seq.), New Jersey public electric and gas utilities' rates include funding for programs that provide societal benefits such as low-income programs, gas plant remediation, nuclear plant decommissioning, social programs such as the Universal Service Fund and Lifeline, and the Clean Energy Program. See also N.J.S.A. 48:3-60.

¹⁹ Level-Two EV charging equipment offers charging through 240-Volt (in residential applications) or 208-Volt (in commercial applications) electrical service. It is common for home, workplace, and public charging.

²⁰ "Make-Ready" means the pre-wiring of electrical infrastructure at a parking space or set of parking spaces to facilitate easy and cost-efficient future installation of Electric Vehicle Service Equipment ("EVSE"), including, but not limited to, Level Two EVSEs and direct-current fast chargers. N.J.S.A. 48:25-2. More specifically, Make-Ready includes expenses related to service panels, junction boxes, conduit, wiring, etc. necessary to make a particular location able to accommodate EVSE on a "plug and play" basis.

²¹ DC Fast Chargers are a higher power output type of EVSE utilized to charge an electric vehicle from the grid. See EV Act, N.J.S.A. 48:25-2 ("Definitions Relative to the Use of Electric Plug-In Vehicles"), for further detail regarding what constitutes a DC Fast Charger.

eligible Level-Two charger, or up to the cost of the charger, and an incentive of fifty percent (50%) of the Make-Ready costs or a maximum of \$5,000. In addition, the program provides grants up to \$50,000 for a DC Fast Charger, or up to the cost of the charger, and an incentive of fifty percent (50%) of the Make-Ready costs or a maximum of \$5,000. The SEP Plan will continue to support expanded program eligibility by offering grant funding to establishments that are non-IOU customers.

iv. **New Jersey's Clean Fleet EV Incentive Program**

This program supports municipal and state governments as they transition their fleets to EVs. The program allows local and state government entities in New Jersey to apply for grants of up to \$4,000 for purchasing battery electric vehicles, \$5,000 for public Level-Two chargers, \$50,000 for a DC Fast Charger, \$4,000 toward the purchase of one (1) or more fleet Level-Two EV charging station(s) that are not available to the public, 50% of the Make-Ready costs (or a maximum of \$5,000) per Level-Two charging station(s) (public or fleet), and 50% of the cost per charging station (or a maximum of \$50,000) for each eligible DC Fast Charger Make-Ready. The SEP Plan will continue to support expanded program eligibility by offering grant funding to municipalities and State-owned properties not served by investor-owned utility companies.

DISCUSSION AND FINDINGS

The Board **HEREBY FINDS** that the 2025–2026 SEP Plan, as detailed above, will advance State and federal energy conservation and efficiency goals by contributing to energy conservation and reducing the rate of growth of energy demand and resource dependence on oil. Accordingly, the Board **HEREBY APPROVES** the 2025–2026 SEP Plan, which includes a new allocation of \$1,656,220 for the 2025–2026 SEP Plan year as well as \$3,131,000 in carryover SEP funds. The Board **HEREBY DIRECTS** Staff to submit the 2025–2026 SEP Plan application to the USDOE on behalf of the Board as proposed and to take all necessary and appropriate measures to implement the State Energy and Water Benchmarking Market Title and the EV Programs for Non-IOU Customers Market Title as summarized herein, subject to and consistent with the USDOE's approval of the SEP Plan. The Board **HEREBY AUTHORIZES** the President of the Board or her designee to sign the necessary documents to submit as part of a complete 2025–2026 SEP Plan to the USDOE for approval. The Board also **HEREBY DIRECTS** Staff to submit future requests to the USDOE to extend the performance period, true-up Market Title budgets, modify Market Title descriptions, or remove Market Titles of the SEP Plan if necessary.


The effective date of this Order is April 23, 2025.

DATED: April 23, 2025

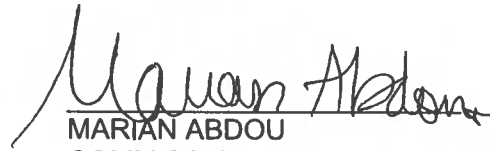
BOARD OF PUBLIC UTILITIES
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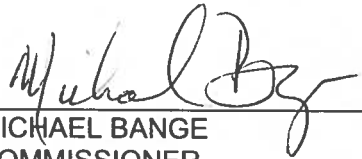
CHRISTINE GUHL-SADOVAY
PRESIDENT



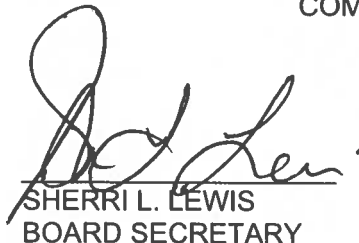
DR. ZENON CHRISTODOULOU
COMMISSIONER



MARIAN ABDOU
COMMISSIONER



MICHAEL BANGE
COMMISSIONER



ATTEST:

SHERRI L. LEWIS
BOARD SECRETARY

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 THE UNITED STATES DEPARTMENT OF ENERGY – STATE ENERGY
PROGRAM – JULY 1, 2025 – JUNE 30, 2026

DOCKET NO. QO25030172

SERVICE LIST

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director
blipman@rpa.nj.gov

Maura Caroselli, Esq.,
Manager of Gas & Clean Energy
mcaroselli@rpa.nj.gov

New Jersey Division of Law

Public Utilities Section
R.J. Hughes Justice Complex
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Daren Eppley, Section Chief, DAG
daren.eppley@law.njoag.gov

Pamela Owen, Assistant Section Chief, DAG
pamela.owen@law.njoag.gov

Matko Ilic, DAG
matko.ilic@law.njoag.gov

New Jersey Board of Public Utilities

44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350

Sherri L. Lewis, Secretary
board.secretary@bpu.nj.gov

Bob Brabston, Esq., Executive Director
robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Taryn Boland, Chief of Staff
taryn.boland@bpu.nj.gov

Henry Gajda, Chief of External Affairs
henry.gajda@bpu.nj.gov

NJBPU, cont'd

General Counsel's Office

Ava Marie Madeam, General Counsel
avamarie.madeam@bpu.nj.gov

Colin Emerle, Deputy General Counsel
colin.emerle@bpu.nj.gov

Elspeth Faiman Hans, Deputy General Counsel
elspeth.hans@bpu.nj.gov

Alexander Cary, Regulatory Officer
alexander.cary@bpu.nj.gov

Division of Clean Energy

Veronique Oomen, Director
veronique.oomen@bpu.nj.gov

Stacy Ho Richardson, Esq., Deputy Director
stacy.richardson@bpu.nj.gov

Kevin Monte de Ramos, Bureau Chief, Energy Efficiency and
Building Decarbonization
kevin.montederamos@bpu.nj.gov

Rupa Deshmukh, Energy Efficiency Manager
rupa.deshmukh@bpu.nj.gov

Matthew Rossi, J.D., Clean Energy Budget Policy Manager
matthew.rossi@bpu.nj.gov

Cathleen Lewis, E-Mobility Program Manager
cathleen.lewis@bpu.nj.gov

Philip Chao, Senior Program Manager
philip.chao@bpu.nj.gov

Alexis Trautman, Research Scientist III
alexis.trautman@bpu.nj.gov

Dustin Wang, Program Specialist I
dustin.wang@bpu.nj.gov

Earl Thomas Pierce, Administrative Analyst
earl.pierce@bpu.nj.gov