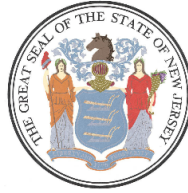


State of New Jersey
Governor Philip D. Murphy
Lt. Governor Sheila Y. Oliver



Joseph L. Fiordaliso
President

Mary-Anna Holden
Dianne Solomon
Bob Gordon
Dr. Zenon Christodoulou
Commissioners

Board of Public Utilities



www.nj.gov/bpu/

NOTICE¹

February 17, 2023

In The Matter Of The Clean Energy Programs And Budget For Fiscal Year 2023 – True-Up, Revised Budgets and Program Changes

[Docket No. QO22020113](#)

BACKGROUND AND PROPOSED BUDGET REVISIONS

The Fiscal Year 2023 (“FY23”) *New Jersey’s Clean Energy Program*[™] (“NJCEP”) Budget, approved through a June 29, 2022 Board Order ([Docket No. QO22020113](#)), was established, in part, based upon an estimate of expenses and commitments expected to be incurred during Fiscal Year 2022 (“FY22”). Once actual expenses and commitments become known, the New Jersey Board of Public Utilities (“NJBP”) typically approves a “True-Up Budget” truing-up for the differences between expenses and commitments estimated for budgetary purposes and the expenses and commitments actually incurred. Consistent with that practice, and now that all expenses actually incurred during FY22 and commitments existing as of June 30, 2022 are final and known, NJBP Staff (“Staff”) has developed a proposed budget truing-up the differences between estimated expenses and commitments versus actual expenses and commitments, which results in an additional \$46,396,198 available for the NJCEP.

The allocation of the additional funds identified through the true-up, as well as the foregoing reallocation, is summarized below, including in the Proposed Revised FY23 Budget. Additionally, Staff is proposing revised Compliance Filings. These changes are collectively referred to as the “Proposal.”

Staff is requesting comments on the Proposal prior to presenting it to the Board for consideration; the schedule and process for submitting comments is set forth at the end of this Request for Comments.

TRUE-UP CALCULATIONS

The following tables shows the derivation of the \$46,396,198 true-up additional carryforward amount:

¹ Not a Paid Legal Advertisement.

(In \$)

<i>FY22 Programs/Budget Line</i>	<i>FY22 Final Budget</i>	<i>FY22 Actual Expenses</i>	<i>FY22 Actual Year End Commitments</i>	<i>FY22 Actual Expenses Plus Year End Commitments</i>	<i>FY22 Budget Less Actual Expenses and Commitments</i>
<i>Total NJCEP + State Initiatives</i>	586,706,276	266,668,480	272,861,048	539,529,528	47,176,748
State Energy Initiatives	87,100,000	85,474,614	-	85,474,614	1,625,386
Total NJCEP	499,606,276	181,193,867	272,861,048	454,054,914	45,551,362
Energy Efficiency Programs	308,825,053	123,104,341	154,474,773	277,579,114	31,245,939
Distributed Energy Resources	24,635,545	4,782,125	15,139,839	19,921,964	4,713,581
RE Programs	29,284,270	4,191,028	20,256,317	24,447,345	4,836,925
EDA Programs	15,359,085	7,263,776	8,065,906	15,329,682	29,403
Planning and Administration	48,610,266	20,331,273	24,193,479	44,524,752	4,085,514
BPU Initiatives	72,892,057	21,521,322	50,730,735	72,252,057	640,000

<i>FY22 Estimated Uncommitted Carryforward</i>	<i>FY22 Budget Less Actual Expenses and Commitments</i>	<i>Difference Between FY22 Estimated Uncommitted Carryforward and Actuals</i>	<i>Other Revenues (Interest Payments, Application Fees, etc.)</i>	<i>Additional FY22 Carryforward and Other Revenues</i>
1,617,818	47,176,748	45,558,930	837,268	46,396,198

Budget Table

The following table shows the Original Budget (approved by the Board in June 2022), the allocation of the \$46,396,198 in additional carryforward from FY22, the proposed budget revisions, and the resulting Proposed Revised FY23 Budget:

Proposed FY23 True-Up Budget (In \$)

<i>FY23 Program/Budget Line</i>	<i>Initial FY23 Budget</i>	<i>Additional FY22 Carryforward and Other Revenue*</i>	<i>Line Item Transfers</i>	<i>Revised FY23 Budget</i>
Total NJCEP + State Initiatives	610,751,520	46,396,198	-	657,147,718
State Energy Initiatives	92,674,000	-	-	92,674,000
Total NJCEP	518,077,520	46,396,198	-	564,473,718
Energy Efficiency Programs	256,373,502	42,464,898	-	298,838,400
Res Low Income (Comfort Partners)	54,500,000	2,478,000	-	56,978,000
C&I EE Programs	78,264,244	17,000,000	-	95,264,244
C&I Buildings	67,187,357	15,000,000	-	82,187,357
LGEA	3,981,302	1,500,000	-	5,481,302
DI	7,095,585	500,000	-	7,595,585
New Construction Programs	30,316,692	14,000,000	-	44,316,692
New Construction	30,316,692	14,000,000	-	44,316,692
Energy Efficiency Transition	23,340,494	-	-	23,340,494
State Facilities Initiative	56,670,192	3,000,000	-	59,670,192
Acoustical Testing Pilot	3,281,880	-	-	3,281,880
LED Streetlights Replacement	10,000,000	5,986,898	-	15,986,898
Distributed Energy Resources	23,771,608	-	-	23,771,608
CHP - FC	22,084,108	-	-	22,084,108
Microgrids	1,687,500	-	-	1,687,500
RE Programs	31,962,396	3,501,300	-	35,463,696
Offshore Wind	28,928,500	3,126,300	-	32,054,800
Solar Registration	3,033,896	375,000	-	3,408,896
EDA Programs	28,910,000	30,000	-	28,940,000
Clean Energy Manufacturing Fund	60,000	30,000	-	90,000
NJ Wind	21,500,000	-	-	21,500,000
R&D Energy Tech Hub	7,350,000	-	-	7,350,000
Planning and Administration	56,289,084	400,000	-	56,689,084
BPU Program Administration	5,585,000	-	-	5,585,000
Marketing	10,500,000	-	-	10,500,000
CEP Website	500,000	-	-	500,000
Program Evaluation/Analysis	34,246,810	50,000	-	34,296,810
Outreach and Education	5,357,274	300,000	-	5,657,274
Sustainable Jersey	791,231	-	-	791,231
NJIT Learning Center	822,598	-	-	822,598
Conference	700,000	-	-	700,000
Outreach, Website, Other	3,043,445	300,000	-	3,343,445
Memberships	100,000	50,000	-	150,000
BPU Initiatives	120,770,931	-	-	120,770,931
Community Energy Grants	2,939,034	-	-	2,939,034

FY23 Program/Budget Line	Initial FY23 Budget	Additional FY22 Carryforward and Other Revenue*	Line Item Transfers	Revised FY23 Budget
Storage	22,000,000	-	-	22,000,000
Heat Island Pilot	2,500,000	-	-	2,500,000
Electric Vehicle Program	67,000,000	-	-	67,000,000
Plug In EV Incentive Fund	35,000,000	-	-	35,000,000
CUNJ Administrative Fund	3,500,000	-	-	3,500,000
CUNJ Residential Charger Incentive	5,500,000	-	-	5,500,000
EV Studies and Administrative Support	3,000,000	-	-	3,000,000
State Vehicle Fleet	6,000,000	-	(2,000,000)	4,000,000
Local Clean Fleet	4,000,000	-	(1,000,000)	3,000,000
Multi-Unit Dwellings (Chargers)	4,000,000	-	2,000,000	6,000,000
EV Tourism	6,000,000	-	1,000,000	7,000,000
Energy Bill Assistance	21,831,897	-	-	21,831,897
Workforce Development	4,500,000	-	-	4,500,000

*Other revenue includes interest earnings from the Clean Energy Fund and EDA Programs.

**Numbers presented in the above three tables may not add up precisely to totals provided due to rounding.

PROPOSED BUDGET REVISIONS

Allocations and Rationale

Proposed Increases

Staff proposes to increase the budgets for the programs and initiatives below for the following amounts and reasons:

<u>Program</u>	<u>Reason(s)</u>	<u>Amount in \$</u>
Res. Low Income (Comfort Partners)	Budget adjusted to reflect additional support to ensure all service areas can maximize the number of energy efficiency projects	2,478,000
C&I Buildings	Support a potential pilot program related to the Large Energy Users Program	15,000,000
LGEA	Budget adjusted to cover additional costs associated with auditing and performing benchmarking of State buildings	1,500,000
DI	Budget adjusted to reflected updated forecast of existing commitments	500,000
New Construction	Budget adjusted to reflect updated forecast of participation levels and to support a potential pilot program	14,000,000
State Facilities Initiative	Support HVAC replacement at the Department of Education's Katzenbach School for the Deaf	3,000,000
LED Streetlights Replacement	Budget adjusted to reflect additional need from municipalities to assist with offsetting the costs of conversion	5,986,898

Offshore Wind	Support additional contractual work being undertaken by transmission consultant to assist Staff with the ongoing State Agreement Approach. Also, funding has been allocated to support the Board's commitment to become a public sponsor of the National Offshore Wind Research and Development Consortium	3,126,300
Solar Registration	Budget adjusted to ensure sufficient funding is available to cover additional ADI/CSI training and to establish the new CSI portal	375,000
Clean Energy Manufacturing Fund	Additional funding needed to cover the remaining FY23 EDA administrative costs associated with this program	30,000
Program Evaluation/Analysis	Support an MOU between BPU and the DEP for a multi-agency light detection and ranging data collection project of six counties in northeast region of New Jersey	50,000
Outreach, Website, Other	Provide additional support to BPU program focused events	300,000
Memberships	Additional funding is needed to support existing membership dues	50,000
Multi-Unit Dwellings (Chargers)	Budget adjusted to reflect updated forecast of participation levels	2,000,000
EV Tourism	Budget adjusted to reflect updated forecast of participation levels	1,000,000

Proposed Deductions

Staff proposes to decrease the budgets for the programs below for the following amounts and reasons:

<u>Program</u>	<u>Reason(s)</u>	<u>Amount in \$</u>
State Vehicle Fleet	Budget adjusted to reflect updated forecast of participation levels	2,000,000
Local Clean Fleet	Budget adjusted to reflect updated forecast of participation levels	1,000,000

Comfort Partners Program Budget Reallocation

Staff is recommending the Comfort Partners overall program budget increase by \$2,478,000. This is primarily due to the ongoing contributing factors such as the increase in materials/equipment pricing due to inflationary pressures and supply chain issues along with a continued focus on greater health and safety needs. This funding will ensure the steady continuation of services through the remainder of this fiscal year. Additionally, funding between cost categories have been shifted to align with expected need in these service areas.

FY23 Approved Comfort Partners Budget								
		Admin and Program Development	Sales, Marketing, Call Centers, Web Site	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, Inspections, Other QC	Evaluation & Research	Contractor Perf. Incentives
ACE	\$2,448,494.00	\$262,597.00	\$42,875.00	\$40,925.00	\$2,009,979.00	\$92,118.00	\$0.00	\$0.00
JCP&L	\$5,511,412.00	\$685,459.00	\$114,909.00	\$93,309.00	\$4,415,455.00	\$202,280.00	\$0.00	\$0.00
PSE&G- Elec	\$9,927,625.00	\$2,049,149.00	\$216,823.00	\$193,557.00	\$7,183,316.00	\$284,780.00	\$0.00	\$0.00
RECO	\$311,200.00	\$68,800.00	\$13,800.00	\$13,800.00	\$190,000.00	\$24,800.00	\$0.00	\$0.00
NJNG	\$6,082,198.00	\$346,693.00	\$121,994.00	\$115,327.00	\$5,299,690.00	\$198,494.00	\$0.00	\$0.00
Elizabethtown	\$3,434,353.00	\$244,716.00	\$69,697.00	\$62,082.00	\$2,911,776.00	\$146,082.00	\$0.00	\$0.00
PSE&G-Gas	\$23,164,457.00	\$4,781,348.00	\$505,920.00	\$451,633.00	\$16,761,070.00	\$664,486.00	\$0.00	\$0.00
SJG	\$3,620,261.00	\$339,647.00	\$68,034.00	\$65,297.00	\$3,015,786.00	\$131,497.00	\$0.00	\$0.00
TOTAL	\$54,500,000.00	\$8,778,409.00	\$1,154,052.00	\$1,035,930.00	\$41,787,072.00	\$1,744,537.00	\$0.00	\$0.00
PSE&G - Combined	\$33,092,082.00	\$6,830,497.00	\$722,743.00	\$645,190.00	\$23,944,386.00	\$949,266.00	\$0.00	\$0.00

FY23 Proposed Comfort Partners Budget								
		Admin and Program Development	Sales, Marketing, Call Centers, Web Site	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, Inspections, Other QC	Evaluation & Research	Contractor Perf. Incentives
ACE	\$2,842,694.00	\$269,897.00	\$50,175.00	\$48,225.00	\$2,374,979.00	\$99,418.00	\$0.00	\$0.00
JCP&L	\$6,170,212.00	\$697,659.00	\$127,109.00	\$105,509.00	\$5,025,455.00	\$214,480.00	\$0.00	\$0.00
PSE&G- Elec	\$9,927,625.00	\$1,238,410.00	\$230,988.00	\$267,722.00	\$7,891,560.00	\$298,945.00	\$0.00	\$0.00
RECO	\$311,200.00	\$68,800.00	\$13,800.00	\$13,800.00	\$190,000.00	\$24,800.00	\$0.00	\$0.00
NJNG	\$6,481,319.00	\$319,046.00	\$130,046.00	\$123,379.00	\$5,702,302.00	\$206,546.00	\$0.00	\$0.00
Elizabethtown	\$3,790,632.00	\$251,195.00	\$66,297.00	\$68,682.00	\$3,241,776.00	\$162,682.00	\$0.00	\$0.00
PSE&G-Gas	\$23,164,457.00	\$2,889,624.00	\$538,971.00	\$624,684.00	\$18,413,640.00	\$697,538.00	\$0.00	\$0.00
SJG	\$4,289,861.00	\$352,047.00	\$80,434.00	\$77,697.00	\$3,635,786.00	\$143,897.00	\$0.00	\$0.00
TOTAL	\$56,978,000.00	\$6,086,678.00	\$1,237,820.00	\$1,329,698.00	\$46,475,498.00	\$1,848,306.00	\$0.00	\$0.00
PSE&G - Combined	\$33,092,082.00	\$4,128,034.00	\$769,959.00	\$892,406.00	\$26,305,200.00	\$996,483.00	\$0.00	\$0.00

OTHER REVISED DOCUMENTS

The following draft documents, incorporating the changes discussed above, have been released along with this Request for Comments.

- Division of Clean Energy Compliance Filing
- Comfort Partners Program Compliance Filing
- Program Administrator (TRC) Compliance Filing
- Charge Up New Jersey Compliance Filing
- DPMC Designated Project List

VIRTUAL INFORMATIONAL SESSION

Staff will be holding a virtual informational session on the proposed true-up budget and proposed program revisions on **March 3, 2023 at 1:00 p.m. ET.**

This meeting will be conducted via a Zoom webinar. You must register for the meeting before attending by clicking the following registration link: https://us06web.zoom.us/webinar/register/WN_tz2-72aqRqe0RVSkIEIYaw

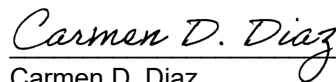
PROCESS AND SCHEDULE FOR SUBMITTING COMMENTS

The Board is also accepting written and/or electric comments.

All public comments should be filed under [Docket No. QO22020113](#). The deadline for comments on this matter is **5 p.m. on March 10, 2023**. Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s [Public Document Search](#). Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Due to the COVID-19 pandemic, certain rules requiring paper submissions have been temporarily waived. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage <https://www.nj.gov/bpu/agenda/efiling/>. Emailed and/or written comments may also be submitted to: board.secretary@bpu.nj.gov

Carmen D. Diaz

Acting Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov



Carmen D. Diaz
Acting Secretary of the Board

Dated: February 17, 2023

