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STATE OF NEW JERSEY
Board of Public Utilities
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## NOTICE<sup>1</sup>

DOCKET NOS. EO19020209 & GO19020210

NOTICE

I/M/O Implementation of an Act Permitting Credits Against the Societal Benefits Charge
(P.L. 2011, c.216) and Investigation of an Additional Program for Credits Against the
Societal Benefits Charge

The Staff of the Board of Public Utilities (BPU) invites all interested parties and members of the public to a Public Hearing to discuss implementation of a Societal Benefit Charge (SBC) credit program for commercial or industrial entities as well as the implementation of N.J.S.A. 48:3-60.3.

On January 17, 2012, Governor Chris Christie signed P.L. 2011, c.216, which permits a credit against the SBC for a commercial or industrial ratepayer pursuant to certain terms and conditions:

- b. The amount of the credit authorized pursuant to subsection a. of this section shall be equal to one-half of that portion of the costs incurred by the commercial or industrial ratepayer during the preceding calendar year for the purchase and installation of products or services that are intended for energy efficiency purposes, that would be eligible for incentives under programs that the board shall have determined to fund by the societal benefits charge pursuant to paragraph (3) of subsection a. of section 12 of P.L.1999, c.23 (C.48:3-60).
- c. The amount of the credit to be allowed under this section in any calendar year against the societal benefits charge for each commercial or industrial ratepayer that is subject to such charge pursuant to section 12 of <u>P.L.1999</u>, c.23 (<u>C.48:3-60</u>) shall be determined by the board.
- d. The maximum amount of the credit to be applied under this section against the societal benefits charge imposed pursuant to section 12 of <u>P.L.1999</u>, <u>c.23</u> (<u>C.48:3-60</u>) shall not exceed 100 percent of the commercial or industrial ratepayer's liability for such charge that would otherwise be due in each calendar year.

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- e. The amount of the credit against the societal benefits charge otherwise allowable under this section which cannot be applied for the calendar year due to the limitations of subsections b. and d. of this section may be carried over, if necessary, to a maximum of 10 calendar years immediately following the initial year in which the credit is first applied to a commercial or industrial ratepayer's liability for societal benefits charges.
- f. The electric public utility or gas public utility providing service to a commercial or industrial ratepayer.

The law also required the commercial or industrial ratepayer's energy utility, upon request from the ratepayer, to disclose in a written notice the amount of societal benefits charges collected by the utility to the ratepayer for each calendar year specified in the request from the commercial or industrial ratepayer.

On December 18, 2018, the Board opened a stakeholder proceeding and directed Board Staff to open a new docket, notify all affected parties, and post notice of this proceeding on the Board's website. Pursuant to the law and Board Order, BPU Staff invites all interested parties to respond to the questions listed below.

## SBC Discount and Credit Program Stakeholder Hearing:

**Date:** March 5, 2019

**Location:** New Jersey Board of Public Utilities

44 South Clinton Avenue

Trenton, NJ 08625

Merit System Room, 1<sup>st</sup> Floor

**Time:** 10:00 AM

Written comments are also invited and must be submitted to Aida Camacho-Welch, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314, CN 350, Trenton, New Jersey 08625. Written comments may also be submitted electronically to <a href="mailto:Rule.Comments@bpu.nj.gov">Rule.Comments@bpu.nj.gov</a> in Word or other easily converted formats. All comments must be received on or before 5:00 p.m. on \*April 9, 2019.

At a minimum the following topics will be discussed:

## SBC Discount and Credit Program Stakeholder Questions

A. Implementation of P.L.2011, c.216 – SBC Credit Program

- 1. In implementing P.L.2011, c. 216, should the Board establish a tiered credit program? If so, please comment on the use of factors such as a customer's contribution to the SBC, the customer's total electric and/or natural gas usage, and the nature of the customer's business and facilities. Should additional factors be considered? If the Board were to establish a tiered credit program, how should it be structured?
- 2. In what form and how often should credits be issued? Should a credit be provided via the issuance of a check, a credit to the utility account, or in some other way? How

- should program administrative costs be funded? Should a portion of the credit be set aside to cover program administration costs?
- 3. Should a minimum SBC contribution or maximum credit amount be implemented as part of this program?
- 4. Should a program annual credit maximum be established which could reduce individual credit amounts if a threshold dollar amount of SBC credits is reached for a program year? Should a mechanism to reduce or freeze the impact of the SBC Credit Program be included?
- 5. What process should be used to review applications?
- 6. What minimum filing requirements should a commercial or industrial customer be required to include in any petition filed before the Board under the SBC Credit Program? Should a customer receiving an SBC credit be prohibited from participating in other NJCEP or utility Programs for the duration of the credit?
- 7. How should the SBC contributions per customer, as currently tracked by New Jersey investor-owned utilities, factor into determinations on granting an SBC credit, if at all?
  - B. Implementation of an additional SBC Discount Program
- 8. Should the Board implement a SBC credit program beyond the required implementation of N.J.S.A. 48:3-60.3 (SBC Discount Program)? If so, what should the eligibility criteria be? What eligibility limits or criteria should the Board implement in an SBC Discount Program?
- 9. Should there be limits on the term of any potential discount under an SBC Discount Program?
- 10. Should a minimum SBC contribution or maximum discount amount be implemented as part of an SBC Discount Program?
- 11. What minimum filing requirements should a commercial or industrial customer be required to include in any petition filed before the Board under an SBC Discount Program? Should the requirements be different for an application applying pursuant to an SBC Discount Program than for an application made pursuant to N.J.S.A.48:3-61.3(a)?

Aida Camacho-Welch Board Secretary

Dida Camacho Welch

Dated: March 15, 2019