

Request for Comments

To: Interested Stakeholders

From: Elizabeth Ackerman, Acting Director

Subj: Request for Comments on Proposed Modifications EE Program Budget

Date: December 9, 2014

By Order dated February 4, 2014, the Board authorized Staff to make modifications to NJCEP budgets provided certain conditions were met. Specifically, the Board authorized Staff to modify NJCEP budgets within a given Funding Category, such as EE, RE, EDA, etc., provided that the reallocation does not reduce a programs budget by more than 10% within any 60 day period.

The Order requires Staff to provide a written notice to each Commissioner at least seven days prior to implementing any budget modification which Staff has done. The Order also requires Staff to circulate proposed budget modifications for comment prior to implementing the proposed changes which is the purpose of this request for comments.

By email dated November 26, 2014, TRC notified Staff that it has experienced an increase in participation in the C&I Retrofit program with FY to date paid applications up 22% over the same period last year. As of November 24, 2014, expenses plus commitments equaled 90% of the C&I Retrofit program budget. TRC is projecting a need for additional funds to meet anticipated participation through the remainder of the fiscal year and requested the transfer of \$4,590,000 to the C&I Retrofit program with \$2,900,000 transferred from the Pay-for-Performance (P4P) program and \$1,690,000 transferred from the Large Energy Users program (LEUP).

Expenses plus commitments equal 63% of the current budget for the P4P program and 51% for the LEUP. TRC indicated that the proposed decrease to the P4P and LEUP program budgets will have no adverse impact on its ability to meet current and future projected program commitments.

The table below compares expenses and commitments to budgets for the programs noted above:

Program	Board Approved FY15 Budget	Pending Proposed FY15 True Up Budget	Expenses + Commitments as of 11/24/14	Expenses + Commitments as a % of Approved Budget	Expenses + Commitments as a % of Proposed True Up Budget
C&I Retrofit	\$53,360,534.76	\$55,468,738.87	\$47,855,969.11	90%	86%
Pay-for-Performance	\$36,091,851.98	\$31,091,851.98	\$22,733,490.47	63%	73%
Large Energy Users Program	\$18,587,103.70	\$17,314,758.89	\$9,744,566.65	52%	56%
Total	\$108,039,490.44	\$103,875,349.74	\$80,334,026.23		

The following table shows the FY15 budget previously approved by the Board, the proposed True Up budget, the proposed transfer, the proposed budget and the amount of the proposed transfer as a percentage of the program budget.

Program	Board Approved FY15 Budget	Pending Proposed FY15 True Up Budget	Proposed Transfer	Proposed Revised Budget	% of Proposed True Up Budget
C&I Retrofit	\$53,360,534.76	\$55,468,738.87	\$4,590,000.00	\$60,058,738.87	8.27%
Pay-for-Performance	\$36,091,851.98	\$31,091,851.98	(\$2,900,000.00)	\$28,191,851.98	-9.33%
Large Energy Users Program	\$18,587,103.70	\$17,314,758.89	(\$1,690,000.00)	\$15,624,758.89	-9.76%
Total	\$108,039,490.44	\$103,875,349.74	\$0.00	\$103,875,349.74	

Please note that the table above shows the proposed changes as compared to the proposed True Up budget which is scheduled for consideration by the Board at its December 17th agenda meeting.

Comments regarding the proposed budget modification should be submitted to:

publiccomments@njcleanenergy.com

by COB December 16, 2014, with the subject heading “Proposed Modifications to the EE Program Budget”