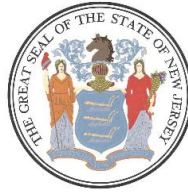


State of New Jersey
Governor Philip D. Murphy
Lt. Governor Tahesha L. Way



Christine Guhl-Sadovy
President

Board of Public Utilities



www.nj.gov/bpu/

Dr. Zenon Christodoulou
Marian Abdou
Michael Bange
Commissioners

NOTICE¹

March 11, 2025

In The Matter Of The Clean Energy Programs And Budget For Fiscal Year 2025 – True-Up, Revised Budgets and Program Changes

[Docket No. QO24040224](#)

[Informational Session and Request for Comments](#)

BACKGROUND AND PROPOSED BUDGET REVISIONS

The Fiscal Year 2025 (“FY25”) *New Jersey’s Clean Energy Program*[™] (“NJCEP”) Budget, approved through a June 27, 2024 Board Order ([Docket No. QO24040224](#)), was established, in part, based upon an estimate of expenses and commitments expected to be incurred during Fiscal Year 2024 (“FY24”). Once actual expenses and commitments become known, the New Jersey Board of Public Utilities (“NJCEP”) 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 FY24 and commitments existing as of June 30, 2024 are final and known, NJCEP 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 \$75,309,708 available for the NJCEP.

The February 14, 2014 Board Order (“Order”) (Docket No. EO13050376V) granted Staff delegated authority to make limited modifications to the NJCEP budget so long as certain conditions are met.² The Order allows for up to 10% of the Program budget to be reallocated within the Program during any 60-day period. Due to the time-sensitive nature of the below identified changes as they relate to program continuity, the Staff delegated authority will be utilized to transfer funds between these budget lines prior to the True-Up Budget being presented to the Board.

The Order requires Staff to provide a written notice to each Commissioner at least seven (7) days prior to implementing any budget revision, which notice Staff has provided for these proposed revisions. In addition, the Order requires that Staff shall post notice of such budget revision on the NJCEP website and circulate the notice to the Energy Efficiency and Renewable Energy stakeholder listservs, allowing for at least seven (7) days for public comment before any budget revision is implemented.³ The issuance of this Notice satisfies such requirement.

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 FY25 Budget. Additionally, Staff is proposing revised Compliance Filings. These changes are collectively referred to as the “Proposal.”

¹ Not a Paid Legal Advertisement.

² [In re the Clean Energy Programs and Budget for Fiscal Year 2014](#), BPU Docket No. EO13050376V, Order dated February 14, 2014.

³ *Id.* at Section D.1.-2 (“General Description of Authority and Limitations and Delegated Authority – Notice and Process for Budget Modifications”).

Staff is requesting comments on the Proposal; 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 \$75,309,708 true-up additional carryforward amount:

(In \$)

<i>FY24 Programs/Budget Line</i>	<i>FY24 Final Budget</i>	<i>FY24 Actual Expenses</i>	<i>FY24 Actual Year End Commitments</i>	<i>FY24 Actual Expenses plus Year End Commitments</i>	<i>FY24 Budget Less Actual Expenses and Commitments</i>
<i>Total NJCEP + State Initiatives</i>	740,123,479	264,287,339	400,526,432	664,813,771	75,309,708
<i>State Energy Initiatives</i>	71,200,000	71,200,000	-	71,200,000	-
<i>Total NJCEP</i>	668,923,479	193,087,339	400,526,432	593,613,771	75,309,708
<i>Energy Efficiency Programs</i>	292,073,537	86,805,842	159,317,494	246,123,336	45,950,201
<i>Distributed Energy Resources</i>	21,960,080	3,135,726	8,669,646	11,805,373	10,154,707
<i>RE Programs</i>	24,515,719	7,322,856	16,649,026	23,971,882	543,837
<i>EDA Programs</i>	37,912,044	25,371,441	12,523,375	37,894,816	17,228
<i>Planning and Administration</i>	82,472,243	29,216,976	39,686,532	68,903,508	13,568,735
<i>BPU Initiatives</i>	209,989,856	41,234,498	163,680,358	204,914,856	5,075,000

<i>FY24 Estimated Uncommitted Carryforward</i>	<i>FY24 Budget Less Actual Expenses and Commitments</i>	<i>Difference Between FY24 Estimated Uncommitted Carryforward and Actuals</i>	<i>Other Revenues (Interest Payments)</i>	<i>Additional FY24 Carryforward and Other Revenues</i>
31,428,733	75,309,708	43,880,975	35,418,685	79,299,661

Budget Table

The following table shows the Original Budget (approved by the Board in June 2024), the allocation of the \$79,299.661 in additional carryforward from FY24, the proposed budget revisions, and the resulting Proposed Revised FY25 Budget:

Proposed FY25 True-Up Budget (In \$)

<i>FY25 Program/Budget Line</i>	<i>Initial FY25 Budget</i>	<i>Additional FY24 Carryforward and Other Revenues*</i>	<i>Line Item Transfers</i>	<i>Revised FY25 Budget</i>
Total NJCEP + State Initiatives	786,161,591	79,299,661	-	865,461,252
State Energy Initiatives	71,200,000	-	-	71,200,000
Total NJCEP	714,961,591	79,299,661	-	794,261,252
Energy Efficiency Programs	195,471,296	200,000	(19,093,185)	176,578,111
C&I EE Programs	55,811,570	-	-	55,811,570
C&I Buildings	47,479,975	-	-	47,479,975
LGEA	8,331,595	-	-	8,331,595
New Construction Programs	60,404,447	-	-	60,404,447
New Construction	60,404,447	-	-	60,404,447
State Facilities Initiative	59,991,206	200,000	-	60,191,206
Acoustical Testing Pilot	3,277,175	-	(3,106,287)	170,888
LED Streetlights Replacement	15,986,898	-	(15,986,898)	-
Distributed Energy Resources	93,188,194	14,419,434	44,642,155	152,249,783
CHP - FC	31,500,694	-	-	31,500,694
Microgrids	1,687,500	-	(750,000)	937,500
Energy Storage	60,000,000	14,419,434	45,392,155	119,811,589
RE Programs	23,770,069	-	(500,000)	23,270,069
Offshore Wind	19,643,721	-	(500,000)	19,143,721
Solar Registration	4,126,349	-	-	4,126,349
EDA Programs	29,000,000	-	(29,000,000)	-
NJ Wind	22,000,000	-	(22,000,000)	-
R&D Energy Tech Hub	7,000,000	-	(7,000,000)	-
Planning and Administration	65,748,942	937,302	3,951,031	70,637,275
BPU Program Administration	10,000,000	-	-	10,000,000
Marketing	7,096,055	-	-	7,096,055
CEP Website	1,500,000	-	-	1,500,000
Program Evaluation/Analysis	40,399,757	937,302	4,356,288	45,693,347
Outreach and Education	6,602,540	-	(405,257)	6,197,283
Sustainable Jersey	1,159,166	-	-	1,159,166
NJIT Learning Center	745,000	-	-	745,000
Conference	405,257	-	(405,257)	-
Outreach, System Maintenance, Other (Program Administrator)	4,293,117	-	-	4,293,117
Memberships	150,590	-	-	150,590
BPU Initiatives	307,783,090	63,742,925	-	371,526,015
Clean Energy Equity	119,524,165	48,742,925	-	168,267,090
Community Energy Grants	5,564,268	-	(2,490,000)	3,074,268
Urban Heat Island Mitigation Grants	2,500,000	-	2,500,000	5,000,000
Res Low Income (Comfort Partners)	56,978,000	-	5,953,023	62,931,023
Residential Energy Assistance Payment	51,831,897	48,742,925	(5,953,023)	94,621,799

Whole House	2,650,000	-	(10,000)	2,640,000
Federal Grid Modernization Program State Match	25,000,000	-	-	25,000,000
Electric Vehicle Programs	162,258,925	15,000,000	-	177,258,925
Plug In EV Incentive Fund	32,583,925	15,000,000	10,000,000	57,583,925
CUNJ Administrative Fund	5,500,000	-	-	5,500,000
CUNJ Residential Charger Incentive	4,000,000	-	1,000,000	5,000,000
EV Studies, Pilots, and Administrative Support	2,500,000	-	(1,000,000)	1,500,000
Clean Fleet	28,900,000	-	(3,000,000)	25,900,000
Multi-Unit Dwellings (Chargers)	32,875,000	-	(5,000,000)	27,875,000
EV Tourism	10,900,000	-	(1,000,000)	9,900,000
E-Mobility Programs	7,000,000	-	(1,000,000)	6,000,000
Electric School Buses	30,000,000	-	-	30,000,000
School Bus V2G	2,000,000	-	-	2,000,000
MHD Depot	6,000,000	-	-	6,000,000
Workforce Development	1,000,000	-	-	1,000,000

*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.

***Due to the time-sensitive nature of these changes as they relate to program continuity, the figures in red text have been noted as Staff-approved budget changes.

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>
State Facilities Initiative	Additional support for upgrades to state facilities	200,000
Energy Storage	Additional funding has been allocated to reflect an anticipated need to award incentive payments as part of Phase 1 solicitations as part of the implementation of the New Jersey Storage Incentive Program.	59,811,589
Program Evaluation/Analysis	Supports contract modifications for Grid Modernization and EMP Update Consultant, and the addition of a storage administrator	5,293,590
Urban Heat Island Mitigation Grants (previously Heat Island)	Establishes a statewide program to reduce the heat island effect by prioritizing funding for interventions in overburdened municipalities, including the expansion of energy-efficient public cooling infrastructure and community resilience efforts.	2,500,000

Residential Energy Assistance Payment	Provide a second round of energy bill assistance for LMI accounts	42,789,902
Plug In EV Incentive Fund	Budget adjusted to reflect updated forecast of participation levels	25,000,000
CUNJ Residential Charger Incentive	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>
Acoustical Testing Pilot	Some funding will not be needed and can be reallocated to other programs/initiatives.	3,106,287
LED Streetlights Replacement	This funding was anticipated to be utilized in FY25 but will not be spent this year	15,986,898
Microgrids	Some funding will not be needed and can be reallocated to other programs/initiatives.	750,000
Offshore Wind	Some funding will not be needed and can be reallocated to other programs/initiatives.	500,000
NJ Wind	This funding was anticipated to be utilized in FY25 but will not be spent this year	22,000,000
R&D Energy Tech Hub	This funding was anticipated to be utilized in FY25 but will not be spent this year	7,000,000
Conference	This funding was anticipated to be utilized in FY25 but will not be spent this year	405,257
Community Energy Grants	Some funding will not be needed and can be reallocated to other programs/initiatives	2,490,000
Whole House	Some funding will not be needed and can be reallocated to other programs/initiatives	10,000
EV Studies, Pilots, and Administrative Support	Budget adjusted to reflect updated forecast of participation levels	1,000,000
Clean Fleet	Budget adjusted to reflect updated forecast of participation levels	3,000,000
Multi-Unit Dwellings (Chargers)	Budget adjusted to reflect updated forecast of participation levels	5,000,000

EV Tourism	Budget adjusted to reflect updated forecast of participation levels	1,000,000
E-Mobility Programs	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 \$5,953,023. 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. Additionally, Comfort Partners has a robust pipeline that created a backlog of jobs that can be addressed with the increased budget. 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.

July 1 st 2024 – June 30 th 2025 CP 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	\$3,166,694.00	\$270,897.00	\$56,175.00	\$54,225.00	\$2,674,979.00	\$110,418.00	\$0.00	\$0.00
JCP&L	\$6,021,172.00	\$541,099.00	\$127,249.00	\$100,749.00	\$5,032,455.00	\$219,620.00	\$0.00	\$0.00
PSE&G- Elec	\$9,801,263.00	\$1,068,249.00	\$220,809.00	\$169,809.00	\$8,040,473.00	\$301,923.00	\$0.00	\$0.00
RECO	\$408,400.00	\$70,600.00	\$15,600.00	\$15,600.00	\$280,000.00	\$26,600.00	\$0.00	\$0.00
NJNG	\$6,630,359.00	\$267,732.00	\$133,732.00	\$127,065.00	\$5,886,598.00	\$215,232.00	\$0.00	\$0.00
Elizabethtown	\$3,790,634.00	\$246,197.00	\$66,297.00	\$68,682.00	\$3,241,776.00	\$167,682.00	\$0.00	\$0.00
PSE&G-Gas	\$22,869,617.00	\$2,492,582.00	\$515,222.00	\$396,222.00	\$18,761,104.00	\$704,487.00	\$0.00	\$0.00
SJG	\$4,289,861.00	\$347,047.00	\$80,434.00	\$77,697.00	\$3,635,786.00	\$148,897.00	\$0.00	\$0.00
TOTAL	\$56,978,000.00	\$5,304,403.00	\$1,215,518.00	\$1,010,049.00	\$47,553,171.00	\$1,894,859.00	\$0.00	\$0.00
PSE&G - Combined	\$32,670,880.00	\$3,560,831.00	\$736,031.00	\$566,031.00	\$26,801,577.00	\$1,006,410.00	\$0.00	\$0.00

July 1 st 2024 – June 30 th 2025 CP Budget (Proposed)								
		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	\$3,809,328.00	\$282,560.00	\$67,838.00	\$65,888.00	\$3,258,119.00	\$134,923.00	\$0.00	\$0.00
JCP&L	\$6,673,061.00	\$530,203.00	\$139,353.00	\$113,853.00	\$5,637,634.00	\$252,018.00	\$0.00	\$0.00

PSE&G- Elec	\$10,652,582.00	\$888,648.00	\$326,208.00	\$275,208.00	\$8,810,405.00	\$352,113.00	\$0.00	\$0.00
RECO	\$408,400.00	\$70,584.00	\$15,584.00	\$15,584.00	\$279,208.00	\$7,440.00	\$0.00	\$0.00
NJNG	\$7,648,665.00	\$286,249.00	\$152,249.00	\$145,582.00	\$6,812,440.00	\$252,145.00	\$0.00	\$0.00
Elizabethtown	\$3,843,198.00	\$273,705.00	\$65,811.00	\$66,196.00	\$3,267,485.00	\$170,001.00	\$0.00	\$0.00
PSE&G-Gas	\$24,856,025.00	\$2,073,512.00	\$761,152.00	\$642,152.00	\$20,557,612.00	\$821,597.00	\$0.00	\$0.00
SJG	\$5,039,763.00	\$360,646.00	\$94,033.00	\$91,296.00	\$4,315,715.00	\$178,073.00	\$0.00	\$0.00
TOTAL	\$62,931,022.00	\$4,766,107.00	\$1,622,228.00	\$1,415,759.00	\$52,938,618.00	\$2,188,310.00	\$0.00	\$0.00
PSE&G - Combined	\$35,508,607.00	\$2,962,160.00	\$1,087,360.00	\$917,360.00	\$29,368,017.00	\$1,173,710.00	\$0.00	\$0.00

* Numbers presented in the above two tables may not add up precisely to totals provided due to roundi

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
- Charge Up New Jersey Compliance Filing
- BPU and DPMC Designated Projects List
- Comprehensive Research Analysis (CRA) Compliance Filing

VIRTUAL INFORMATIONAL SESSION

Staff will be holding a virtual informational session on the proposed True-Up budget and proposed program revisions on **March 26, 2025 at 10:00 a.m. ET**. This is an informational session and there will be no opportunity for public comment.

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_NYD1SRSnTnahVVMEV8Og3g

PROCESS AND SCHEDULE FOR SUBMITTING COMMENTS

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

All public comments should be filed under [Docket No. QO24040224](#). The deadline for comments on this matter is **5 p.m. on March 28, 2025**. 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. 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.

Sherri L. Lewis

Sherri L. Lewis
Board Secretary

Dated: March 11, 2025