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NOTICE¹

IN THE MATTER OF THE COMPREHENSIVE ENERGY EFFICIENCY AND RENEWABLE ENERGY RESOURCE ANALYSIS FOR FISCAL YEARS 2014 - 2017 CLEAN ENERGY PROGRAM, Docket No. EO11050324V; AND

IN THE MATTER OF THE CLEAN ENERGY PROGRAMS AND BUDGET FOR THE FISCAL YEAR 2015, Docket No. QO14050489

TAKE NOTICE THAT pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq., the New Jersey Board of Public Utilities (Board) has scheduled a hearing to receive comments on the New Jersey Clean Energy Program (NJCEP) Comprehensive Energy Efficiency and Renewable Energy Resource Analysis (CRA) for Fiscal Year (FY) 2015 and related programs and budgets for Fiscal Year 2015. The public hearing on the FY15 CRA and the program budgets will take place on **June 11, 2014**, at the State House Annex, Committee Room 16, 125 West State St., Trenton, NJ 08608, at 10:00 a.m.

In an Order dated June 21, 2013, Docket No. EO11050324V, the Board considered the level of Societal Benefits Charges (SBC) to be collected by the utilities from ratepayers for FY14 to support the NJCEP. The Board deferred its decision on the CRA funding levels for FY15-FY17 to allow additional time for strategic planning, as described in Staff's 2nd Revised CRA Straw Proposal dated June 3, 2013.

In part, the FY14 CRA highlighted several goals for the NJCEP:

1. In coordination with Treasury, finalize the program administrator contract, develop the Strategic Plan and complete the transition to a single program administrator.
2. Perform key evaluations.
3. Promote the role of the NJCEP in storm response, so that New Jersey can rebuild stronger, more energy efficiently and in a manner that provides long-term benefits to ratepayers and the environment.
4. Promote distributed generation, including combined heat and power (CHP) and energy storage, as a means of hardening infrastructure for critical facilities.
5. Convene a work group to evaluate utility programs.

¹ Not a Paid Legal Advertisement. Persons interested in attending the above Meeting who require special accommodations because of disability should contact the Office of the Secretary of the Board at (609) 292-1599 at least three (3) days prior to the Meeting date so that appropriate arrangements can be made.

6. Assess the Impact of all energy efficiency and renewable energy programs.
7. Identify and track additional metrics such as funds leveraged, jobs created, and marketing impacts.
8. Promote emerging technologies such as hydrokinetic power and energy storage.
9. Coordinate with the Department of Treasury to develop appropriate procedures to better match the collection of funds from ratepayers to actual program needs.
10. Coordinate with the Department of Environmental Protection.

Board Staff undertook several measures to implement the goals of the FY14 CRA including, but not limited to, convening three work groups: 1) Utility Work Group; 2) Evaluation Work Group; and 3) Data Work Group. These groups were tasked with exploring potential changes to the programs, processes, and structure of the NJCEP in order to inform funding levels for the outlier years. Staff anticipates that recommendations from the work groups will be available to the public in late summer 2014.

Unfortunately, Staff was unable to finalize the Program Administrator contract and gain valuable strategic planning insight from the anticipated program evaluations. In December 2013, Treasury issued its decision on the bid protests and informed the bidders that it would constitute a new evaluation committee to re-evaluate the original bids. On April 25, 2014, however, Treasury changed direction and advised the bidders that the entire request for proposal (RFP) was cancelled. Although the Board intends to draft and issue a new RFP for a program administrator, the entire procurement process may take a year or more to complete. As a result, the Board did not gain the benefit of having a consultant to assist with drafting a new, comprehensive strategic plan or implement key program evaluations.

The lack of a new program administrator, program evaluations, and work group recommendations, created challenges in Staff's ability to draft a three-year CRA straw proposal. Therefore, Staff proposes to establish a one-year CRA funding level for July 1, 2014 – June 30, 2015, and defer a proposal for FY16-FY17.

At this date, Staff has elected to extend the current NJCEP programs and compliance filings without revisions. Based on ongoing discussions with Treasury, Staff will seek minor contract modifications and circulate revised compliance filings for public comment. Compliance filings include a detailed breakdown of program budgets by line item, such as administration, rebates, marketing, etc.

The FY15 proposal is available at www.NJCleanenergy.com, under the link for **Policy Updates and Request for Comments**.

All written comments must be submitted in Word format to: publiccomments@njcleanenergy.com with the subject heading "Draft NJCEP FY 2015 Programs." **The comment period will end at 5:00 p.m. on June 12, 2014.** All comments will be posted to the NJCEP website at the end of the comment period.



Kristi Izzo
Secretary of the Board

Dated: May 23, 2014