



Submitted via E-Mail

Board.Secretary@bpu.nj.gov

September 17, 2021
Secretary Aida Camacho-Welch
New Jersey Board of Public Utilities
P.O. Box 350
Trenton New Jersey, 08625

**RE: Proposed New Jersey's Clean Energy Program Fiscal Year 2022 First Budget Revision
Docket Number QO21040720**

Dear Secretary Camacho-Welch:

The Energy Efficiency Alliance of New Jersey appreciates the opportunity to provide comments on the New Jersey Board of Public Utilities' ("Board's") Proposed New Jersey's Clean Energy Program ("NJCEP") Fiscal Year 2022 ("FY22") First Budget Revision. With these comments, EEA-NJ hopes to provide the Board of Public Utilities with the information required to advance a thriving market for energy efficiency in New Jersey.

The Energy Efficiency Alliance of New Jersey ("EEA-NJ") is a trade association for the energy efficiency industry, which is composed of a diverse range of professions—from contractors and manufacturers to engineers, architects, and software developers—and a local workforce that cannot be outsourced. Together with its sister organization, the Keystone Energy Efficiency Alliance ("KEEA"), EEA-NJ represents 75 business members who provide energy efficiency products and services in support of an industry that accounts for more than 30,000 New Jersey jobs. Our membership is large and diverse, with experience designing and implementing a variety of demand side management solutions and energy efficiency programs across the globe. Our aim is to guarantee the success of energy efficiency programs for both the businesses and the ratepayers of New Jersey—because our members' livelihoods depend on it.

On June 24, 2021, the Board approved the FY22 Budget for the NJCEP through a Board Order (Docket No. QO21040720). Board Staff ("Staff") now proposes a revision to the FY22 Budget ("Proposal"), whereby reallocating \$5,400,000 in funds to the Residential Existing Homes ("Existing Homes") Program from the Commercial and Industrial (C&I) Buildings Program. The Existing Homes Program consists of two sub-programs: Home Performance with ENERGY STAR® ("HPwES") and HVAC.

At the end of Fiscal Year 2021 (“FY21”), the HPwES Program received an increased number of applications that are projected to exceed the original HPwES forecast by approximately \$3,400,000, as the applications are processed into commitments and/or payments during FY22. In addition, during late FY21 and early FY22, the HVAC Program received a large volume of applications that are projected to exceed the original HVAC forecast by approximately \$2,000,000.

Conversely, during the early part of FY22, demand for some of the C&I Buildings subprograms has been less than expected resulting in available funds to meet the \$5,400,000 needed for the Existing Homes Program. The C&I Buildings Program Manager will monitor program activity and update forecasts to determine if, as part of the annual true-up budget process, additional funds may be required to replace some or all of the funds proposed for transfer to the Existing Homes Program at this time.

EEA-NJ is in support of the proposed reallocation. Our members have experienced first-hand the increase in demand on HVAC and HPwES projects leading up to the end of the Statewide run FY21 programs. This increased demand has only added to the significant volume of commitments already in the pipeline from Fiscal Year 2020 (“FY20”) when FY21 budgets were set. As a result, these additional funds are necessary to pay out the project trades who worked hard and delivered on the HVAC and HPwES projects. This reallocation is an elegant solution to ensure, not only the board is maximizing EE programs in New Jersey, but that customers and trades/contractors will rightfully receive the incentives they anticipated, when undertaking these projects and in compliance with the requirements of the programs which were timely submitted.

The EEA- NJ is pleased to submit these comments to the New Jersey Board of Public Utilities in support of its proposed revision of the New Jersey’s Clean Energy Program Fiscal Year 2022 First Budget Revision.

Sincerely,

John M. Kolesnik
Policy Counsel,
Energy Efficiency Alliance of New Jersey