



State of New Jersey
DIVISION OF RATE COUNSEL
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October 21, 2022

Via Electronic Mail board.secretary@bpu.nj.gov

Carmen D. Diaz, Acting Secretary
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Clean Energy Programs and Budget for
Fiscal Year 2022 – True-Up, Revised Budgets and Program Changes
BPU Docket No. QO21040720**

Dear Acting Secretary Diaz:

Please accept for filing these comments being submitted on behalf of the New Jersey Division of Rate Counsel (“Rate Counsel”) in accordance with the Notice (“Notice”) issued by the Board of Public Utilities (“Board”, “BPU”) in this matter on October 14, 2022. In accordance with the Notice, these comments are being filed electronically with the Board’s Secretary at board.secretary@bpu.nj.gov. Please insert standard language stating that we will not be filing a paper copy.

Consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities’ Response to the COVID-19 Pandemic for a Temporary Waiver of the Requirements for Certain Non-Essential Obligations*, BPU Docket No EO20030254, dated March 19, 2020, these documents are being electronically filed with the Secretary of the Board and SJG. No paper copies will follow.

COMMENTS

Rate Counsel appreciates the opportunity to comment on the proposed revisions to the Fiscal Year 2022 (“FY22”) Comfort Partners Program (“Comfort Partners”) budget approved by the Board.¹ Comfort Partners is a co-managed program between the BPU and the State’s investor-owned utilities which offers direct installation of energy efficiency (“EE”) measures in low-income households at no cost to the customer.

Here, Public Service Electric and Gas Company (“PSE&G”, “Company”) proposes to shift funds amounting from its FY22 electric Comfort Partner program budget to its gas Comfort Partner program budget. PSE&G is also proposes to shift funds between certain cost categories.

The proposed budget transfers are summarized below:

- PSE&G proposes to reallocate \$2.4 million from its electric Comfort Partners budget for “Rebates, Grants, and Other Direct Incentives” to gas Comfort Partners budget for to its “Rebates, Grants, and Other Direct Incentives.”
- PSE&G proposes to shift \$36,000 form its electric Comfort Partners budget for “Sales and Marketing” to its budget for “Administration” costs.
- PSE&G proposes to shift \$54,000 from its gas budget for “Sales and Marketing” to its budgeted amount for “Administration” costs.

PSE&G’s rationale for the proposed transfers rests on two factors. First, actual mix of electric and gas Comfort Partners measures installed or committed to in FY22 differed from the historic mix of measures used to develop the original Comfort Partners budgets. This mismatch resulted in surplus funds in the electric budget and a shortfall in the gas Comfort Partners budget.

Second, PSE&G claims that it incurred additional internal administrative costs attributable to two Requests for Proposal (“RFPs”) for the Comfort Partners program issued during FY22: one

¹ See In re the Clean Energy Programs and Budget for Fiscal Year 2022 – True-Up, Revised Budgets and Program Changes, BPU Docket No. QO21040720 (Order, March 9, 2022).

for the procurement of a new Program database and the other for Program implementation contractors.

The proposed budget revisions would result in no change to PSE&G's combined total FY22 budget for the Comfort Partners program. Further, the proposed reallocation would represent less than the permitted 10% Comfort Partners program reallocation cap.

Based on the representations set forth in the Notice, Rate Counsel does not oppose the proposed budget transfers at this juncture. However, Rate Counsel reserves its right to review the proposed transfers and underlying costs in the Company's next Comfort Partners true-up proceeding.

Please acknowledge receipt of these comments.

Thank you for your consideration and attention to this matter.

Respectfully submitted,

Brian O. Lipman, Esq.
Director, Division of Rate Counsel

By: /s/ Maura Caroselli
Maura Caroselli, Esq.
Deputy Rate Counsel

Enclosure

cc: Robert Brabston, BPU
Jim Ferris, BPU
Kelly Mooij, BPU
Stacy Richardson, BPU