



June 13, 2023

VIA ELECTRONIC MAIL (board.secretary@bpu.nj.gov)

Honorable Sherri L. Golden, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350

**Re: IN THE MATTER OF COMPREHENSIVE ENERGY EFFICIENCY AND
RENEWABLE ENERGY RESOURCE ANALYSIS FOR FISCAL YEAR 2024
CLEAN ENERGY PROGRAM Docket No. QO23040235**

**IN THE MATTER OF THE CLEAN ENERGY PROGRAMS AND BUDGET
FOR THE FISCAL YEAR 2024 Docket No. QO23040236**

Dear Secretary Golden:

New Jersey Natural Gas Company (“NJNG”) appreciates the opportunity to review the Fiscal Year 2024 Proposed Comprehensive Resources Analysis, Budget and Program Plans for New Jersey’s Clean Energy Program (FY 24 NJCEP Plans). Based on our review of the documents and discussions at the June 2, 2023 public hearing for this proceeding, we would like to share the following thoughts:

General Comments

NJNG is supportive of the state’s clean energy goals and are committed to helping to advance it. We have consistently demonstrated our commitment by advancing energy efficiency and investments in our natural gas system that reduce emissions. NJNG’s infrastructure that is nearly 100% plastic or protected steel, zero cast iron. Environmentally focused investment decisions coupled with best-in-class operations and maintenance have proven our commitment to reducing emissions across our operations, consistent with the State’s emissions reduction goals as set forth in the Global Warming Response Act.

Further, we are an active participant in all policy proceedings, including the recently launched Future of Gas proceeding (BPU Docket No. GO23020099).

NJNG recognizes that during the public hearing for these matters, other stakeholders proposed the elimination of all incentives for fossil fuel fired equipment as early as Fiscal 2024. The Board must recognize that it is premature to take such actions, especially when there is no analysis available regarding how such a decision action might impact customer and contractor decisions. There is a strong likelihood that in the absence of incentives for natural gas fired equipment, a preference of many consumers and a more affordable choice for heating, that customers would often opt to install standard efficiency equipment rather than jump to a decision to install electric heat pumps, a technology they are not familiar with and that likely would increase their annual heating burden. NJNG encourages the Board to continue to support cost effective energy efficiency technologies and not rush to limit programs and technologies that are helping to reduce emissions and customer bills.

New Construction Programs

NJNG participated in the stakeholder process on the program redesign that was held during the summer of 2022. At the time, NJNG's filed comment were very supportive of the proposed shift in approach that allows customers a range of pathways to participate in the new construction program. We noted the proposed flexibility should entice more customers to participate since it allows them to select the level of incremental investment for enhanced energy saving features they wish to pursue for their project. NJNG also encouraged the Board to maintain customer choice to allow customers, working in consultation with their architects, builders, and engineers to consider a broad range of eligible measures in all of the pathways, including the option to include high-efficiency natural gas equipment. We also suggested that Commercial, Industrial, and Multi-family properties should be encouraged to explore Combined Heat and Power ("CHP") technology through this program since that strategy can dramatically increase facility of that property. NJNG recognizes that the NJCEP has not yet implemented the program redesign, but we are hopeful that it will continue to provide customers a broad range of options.

Comfort Partners Program

NJNG is supportive of the proposed budget for Comfort Partners and the efforts to streamline administration and make participation easier for customers through efforts like the self-certification process. We encourage the electrification and decarbonization pilot program to ensure that annual operating costs are not being increased for this most vulnerable group of customers.

NJNG appreciates the opportunity to provide comments on these topics. Please feel free to contact me if you need any additional information regarding these issues.

Respectfully submitted,



Anne-Marie Peracchio
Managing Director Marketing and Energy Efficiency