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June 12, 2023

VIA ELECTRONIC MAIL

Sherri Golden, Secretary of the Board
Board of Public Utilities
44 S. Clinton Ave., 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
(EnergyEfficiency@bpu.nj.gov)

IN THE MATTER OF THE CLEAN ENERGY PROGRAMS AND BUDGET FOR THE
FISCAL YEAR 2024- Charge Up New Jersey
DOCKET NO. QO23040236

Dear Secretary Golden:

Public Service Electric and Gas Company ("PSE&G") is pleased to offer the following comments in response to the Straw Proposal on New Jersey Clean Energy Programs ("NJCEP") and Budget for the Fiscal Year 2024 ("Program"). Issued by the Staff ("Staff") of the Board of Public Utilities ("Board" or the "BPU"). PSE&G's comments are limited to one aspect of the Program.

Staff's proposal includes a pilot for the Large Energy Users Program (LEUP), which targets higher education institutions. Staff also invites utilities to propose programs that target the commercial sector, but focusing on smaller commercial buildings to enhance the LEUP program, particularly to the university sector. The university sector is one of the targeted sectors of the utilities' Engineered Solutions Program, and Staff's proposed pilot has the potential to duplicate and undermine the existing utility administered Engineered Solutions program. This pilot, if undertaken, will potentially put the achievement of utility energy savings targets, as set forth in the Clean Energy Act, at risk and create market confusion, which will be detrimental to both the BPU and utility-led programs.

PSE&G has shown support and a willingness to work with Board Staff to develop utility led building decarbonization programs, and so believes it would be preferable to leverage the Engineered Solutions program to work towards this goal, as Engineered Solutions is already designed to assist universities with their energy efficiency measures. PSE&G's has established relationships with these large customers, and including additional measures and incentive structures to assist them with further decarbonization of their buildings could easily be accomplished.

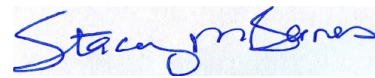
PSE&G provided similar comments in response to the BPU's Request for Comments on the New Jersey Clean Energy Programs and Budget for Fiscal Year 2023- True-Up, Revised Budgets and Program Changes.

In the 2023 Fiscal Year Budget, staff proposed a similar allocation for the LEUP pilot. PSE&G reiterates these comments in the instant proceeding.

Conclusion

PSE&G appreciates the opportunity to submit these comments and looks forward to continuing to work with Board Staff on the development of utility led programs as an alternative to the LEUP pilot proposed as part of this Program.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Stacey M. Barnes", is written over a light blue rectangular background.

Stacey M. Barnes, Esq.