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January 5, 2024

**VIA ELECTRONIC MAIL**  
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Sherri L. Golden, RMC  
Secretary of the Board  
Board of Public Utilities  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
P.O. Box 350  
Trenton, New Jersey 08625-0350

**RE:** In the Matter of the Implementation of L. 2018, C. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs  
BPU Docket No. QO1910040

In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three  
BPU Docket No. EO20090621

### **Notice of Reallocation of Sub-Program Budgets**

Dear Secretary Golden:

The undersigned is Assistant General Counsel to Atlantic City Electric Company (“ACE” or the “Company”) in connection with the above referenced matter(s).

On June 10, 2020, the New Jersey Board of Public Utilities (the “Board” or “BPU”) issued an Order directing each electric and gas public utility in the State of New Jersey to establish energy efficiency and peak demand reduction programs pursuant to the Clean Energy Act of 2018.<sup>1</sup> A portfolio of ACE Energy Efficiency programs were approved by the Board on April 27, 2021.<sup>2</sup>

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<sup>1</sup> See Order Directing the Utilities to Establish Energy Efficiency and Peak Demand Reduction Programs, *In the Matter of the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs*, BPU Docket No. QO19010040 (June 10, 2020) (the “June 2020 EE Order”), at page 13.

<sup>2</sup> See Decision and Order Approving Stipulation, *In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three*, BPU Docket No. EO20090621 (April 27, 2021) (“April 2021 ACE EE Order”), at page 7.

The Company is providing this communication in accordance with the notification requirements for shifting sub-program budgets within sectors, as permitted by the June 2020 EE Order and the April 2021 ACE EE Order. Specifically, ACE is permitted to shift up to 25 percent of an individual sub-program’s total budget within the Residential and/or the Commercial and Industrial (“C&I”) sectors by providing notice to Staff of the Board.<sup>3</sup>

**Resident Program Changes:** Within the Residential Portfolio, ACE is notifying Staff of the movement of \$1,182,791 that will be transferred from the Residential Quick Home Energy Check-up (QHEC) program to the Residential HVAC program. This shift is covering the increase in participation driven by market conditions. Current interest rates are increasing the number of customers taking advantage of the Company’s zero interest rates loans and rebates within the HVAC program. This reallocation of funds will ensure uninterrupted implementation through the end of the Triennium and are below the 25 percent threshold referenced above.

The following table reflects the budget shifts and updated program budgets:

Sector	Program	Sub-program	Total approved budget	January 2024 Reallocation	Updated Total budget	Cumulative subprogram % reallocation	Sector % variance
Residential	Behavior	Home Energy Reports	\$ 1,223,100	\$ -	\$ 1,223,100		0%
	Efficient Products	HVAC	\$ 16,996,436	\$ 1,182,791	\$ 18,179,227	7%	
		Online Marketplace					
		Appliance Rebates					
		Appliance Recycling					
	Existing Homes	Home Performance w/ ENERGY STAR	\$ 7,966,123	\$ -	\$ 7,966,123	-19%	
Quick Home Energy		\$ 7,345,785	\$ (1,182,791)	\$ 6,162,994			
Moderate-Income Weatherization		\$ 13,471,022	\$ -	\$ 13,471,022			
MF	MF	Multi-Family	\$ 3,774,401	\$ -	\$ 3,774,401		0%
C&I	SBDI	Small Business	\$ 24,328,397	\$ -	\$ 24,328,397		0%
	Energy Solutions for Business	Prescriptive/Custom	\$ 15,530,647	\$ -	\$ 15,530,647		
		Energy Management	\$ 1,942,912	\$ -	\$ 1,942,912		
		Engineered Solutions	\$ 2,736,454	\$ -	\$ 2,736,454		
			Portfolio Costs	\$ 750,000	\$ -	\$ 750,000	
		Total	\$ 96,065,276	\$ -	\$ 96,065,276		

<sup>3</sup> The June 20 EE Order and the April 2021 ACE EE Order state that notice to Staff be provided within 30 days following a change of up to 25 percent. Approval by Board Staff is required for changes between 25 to 50 percent. Board approval is required for changes over 50 percent.

Sherri L. Golden, RMC

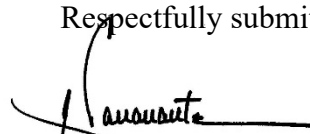
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Pursuant to the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Secretary of the Board, the Division of Law, the New Jersey Division of Rate Counsel, and the Service List. No paper copies will follow.

Thank you for your cooperation and courtesies. Feel free to contact me with any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Passanante", written over a horizontal line. The signature is stylized and somewhat cursive.

Philip J. Passanante  
An Attorney at Law of the  
State of New Jersey

cc: Service List

In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program,  
Cost Recovery Mechanism and Other Related Relief for Plan Years One Through Three  
BPU Docket No. EO20090621

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