

January 12, 2023

Sherri L. Golden
Secretary of the Board
NJ Board of Public Utilities
44 South Clinton Ave.
1st Floor PO Box 350
Trenton, NJ 08625-0350
Email: board.secretary@bpu.nj.gov

Re: In the Matter of the Implementation of Federal Inflation Reduction Act HOMES (Home Efficiency Rebates) and HEEHR (Home Electrification and Appliance Rebates) Program
Docket No.: QO23100733

Dear Secretary Golden:

Energy Efficiency Alliance, Environment New Jersey, Vote Solar, New Jersey Sustainable Business Council, NJ Working Families Alliance, New Jersey LCV, MnM Consulting, Newark Green Team, ReThink Energy NJ, Make the Road New Jersey, New Jersey Policy Perspective, American Council for an Energy Efficient Economy, Clean Water Action, Advanced Energy United, Clinicians for Climate Action New Jersey, and NJ Sierra Club thank the New Jersey Board of Public Utilities (“BPU” or “Board”) for this opportunity to submit comments regarding New Jersey’s implementation of the federally-funded Home Energy Rebate programs (both HOMES and HEEHR).

Our organizations represent New Jersey’s environmental, business, planning, social justice, health care, conservation, labor, and climate advocacy communities. We are enthusiastic about the potential impact of the Home Energy Rebate programs in our state. Our comments seek to shape these programs such that they achieve positive outcomes for climate, health, jobs and justice in New Jersey.

BPU’s technical conference raised important questions regarding the implementation of the Home Energy Rebate programs. To ensure that these programs move New Jersey’s energy efficiency work forward while maximizing benefits to low- and moderate-income participants, several of these questions warrant further consideration. The Board should consider additional working sessions specifically related to coordination for consumers, multifamily buildings, savings attribution, and measurement. We also suggest additional stakeholders should be engaged to ensure successful program design, especially program implementers and multifamily building owners.

Coordination of Programs

It is already difficult for consumers to navigate the available residential efficiency and clean energy programs available through the utilities, the BPU, and the Weatherization Assistance Program (WAP), among others. The Home Energy Rebates add another layer – and an

opportunity for the Board to improve the current state of affairs. The Board should provide customers with a single entry point for programs they may be eligible for. The Board should also ensure language access for all programs. The recently passed bill S2459 is a good start. It will (pending enactment) require all applications, intake forms, and eligibility notices to be available in the seven most common non-English languages spoken in the state. We urge BPU to comply with the new law as quickly as possible, and to go beyond "vital documents" to ensure language access in outreach and marketing materials.

Similarly, the Board should further assess ways in which it can streamline program participation for consumers. It is vital to stack programs as much as possible to ensure comprehensive, meaningful retrofits – without creating undue burdens on the consumer around scheduling and getting contractors into their home, or significantly delaying work. In addition to the stakeholders already engaged, we encourage BPU to invite representatives from current and prospective utility and WAP program implementers to provide their feedback on coordination. New Jersey utility energy efficiency program implementers have a wealth of experience and knowledge on making programs work.

In tandem with these IRA programs, we encourage the Board to consider ways to provide deeper health & safety and pre-weatherization measures (such as is taking place in the Whole House Pilot Program) to low-income households that are often deferred from existing programs and may be unable to effectively access the Home Energy Rebates without additional support.

Contractor education will be key to ensuring households can access the rebates and are encouraged to make efficiency upgrades in their homes. We urge BPU to consider how to maximize the utility of the Qualified Contractor Lists required for both the HOMES and HEEHR programs. These lists should both make it easier for consumers to find qualified professionals AND keep contractors in-the-know on incentives and funding opportunities, encouraging them to take leading roles in New Jersey's building decarbonization.

Multifamily Buildings & Tenants

As discussed at the conference, the HOMES program was not originally designed for multifamily buildings. However, there is now a required carve-out for this sector, and we encourage BPU to increase the dedicated funding for existing multifamily buildings to improve equity and reach more low-income residents. To achieve these goals for both programs, the Board must take into account the wide variety of types of multifamily buildings (that range from two units to hundreds of units) and the need to ensure renters can benefit from energy efficiency and electrification while being protected from increased utility costs (such as if heating costs are transferred from the building to the unit) or rents.

We encourage BPU to solicit further stakeholder input regarding the multifamily sector to address the following challenges:

- Program accessibility to small landlords who may require technical assistance
- Fair incentives for large building owners that benefit tenants
- Tenant protections during and after work

- Effective coordination with utility multifamily energy efficiency programs, a core program in Triennium 2

BPU should seek stakeholder engagement with multifamily building owners/managers to ensure a design that works for end users. BPU must also consider the unique needs of renters of single-family homes, so that renters are not excluded from the programs based on their housing type.

Savings Attribution

Utilities run energy efficiency programs – and, in 2025, will start building decarbonization programs – with similar aims to the HOMES and HEEHR programs. Because utilities must meet certain savings thresholds and are financially rewarded for exemplary performance, it is vital that their contribution to the success of the Home Energy Rebate programs is appropriately, but not excessively, recognized. Too little attribution will discourage utility participation, while excessive attribution could reduce the value of investments in these programs.

BPU should engage with technical experts and representatives from utilities and program implementers on methods of attribution that can achieve the right balance.

Modeled and Measured Savings for HOMES, Data Access

We appreciated the technical conference panel on modeled and measured savings pathways. We support a flexible approach that allows **both** pathways to encourage the maximum energy savings for consumers. The modeled approach can facilitate integration with existing (modeled) programs and promote certain stacking opportunities. The measured approach will help evolve the market for energy efficiency by verifying savings and will better position efficiency as a valuable grid resource. Doing both will also offer valuable comparative opportunities. We encourage BPU to continue consideration of this topic to ensure that the “both” approach is clearly defined for participating contractors and aggregators in program design, and that the customer experience is seamless under either approach. Program implementers can provide further input on this topic, as they have a keen understanding of program design.

We also stress the importance of access to data for successful implementation of the both measured and modeled savings approaches. The utilities should release usage and demand measurements, as close to real-time as possible. By providing the data in this manner, third parties will be able to more competitively participate in the marketplace and customers will be empowered to better control their energy usage and costs.

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Sincerely,

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