



Rockland Electric Company

Margaret Comes  
Associate Counsel  
Law Department

February 29, 2024

**VIA ELECTRONIC MAIL**

Sheri L. Golden, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350

RE: In the Matter of the Petition of Rockland Electric Company for Approval of its Energy Efficiency and Peak Demand Reduction (“EE & PDR”) Programs  
BPU Docket Nos. Q019010040, Q019060748, and Q017091004

Dear Secretary Golden:

Please allow this letter to serve as notice of budget reallocations among Energy Efficiency and Peak Demand Reduction (“EE & PDR”) program sectors and subprograms, as specified below. Rockland Electric (the “Company”) is providing this notice in accordance with the established Staff Notification requirements for shifting sub-program budgets within a sector as well as shifting budgets out of a sector, as detailed on pages ten to eleven of the Board’s June 9, 2021 Order Adopting Stipulation (“EE & PDR Stipulation”).<sup>1</sup>

On June 10, 2020, the New Jersey Board of Public Utilities (the “Board”) issued an Order that directed 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. In accordance with the June 10, 2020 Order, the EE & PDR Stipulation provides flexibility on the administration of the EE subprograms by allowing RECO to shift its subprogram budgets out of an individual sub-program within the Residential sector or within the Commercial sector, up to 25% of the individual sub-program’s total budget with Staff notification (which should be provided within 30 days following the change), 25-50% with Staff approval, and over 50% with Board approval. The EE & PDR Stipulation also allows RECO to shift budgets out of the Residential

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<sup>1</sup> Order Adopting Stipulation, *In the Matter of the Petition of Rockland Electric Company for Approval of its Energy Efficiency and Peak Demand Reduction (“EE & PDR”) Programs*, BPU Docket Nos. Q019010040 and EO20090623 (June 9, 2021).

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sector or the Commercial sector up to 5% of the individual utility sector budgets with Staff notification, (which should be provided within 30 days following the change), 5-10% with Staff approval, and over 10% with Board approval.

The EE & PDR Stipulation identifies the subprogram budgets for the program’s first triennial. At the present time, RECO requires certain budget adjustments to ensure that all subprograms continue uninterrupted and remain adequately funded. Specifically, the Commercial Direct Install subprogram has experienced an unexpectedly high volume of achievement and incentive costs for projects led by RECO’s partner gas utility. Similarly, the Residential Efficient Products and Commercial & Industrial Rebate subprograms have experienced higher than expected expenses for internal administration and marketing.

The Company has updated the program budgets as reflected in the following table.<sup>2</sup> The amounts transferred within and across sectors are within the limits permitted by the EE & PDR Stipulation in accordance with the established Staff notification requirements.

Program Component	EE & PDR Stipulation Approved Budget	EE & PDR 2023 Revised Budget	EE & PDR 2024 Revised Budget			Subprogram % Change	Sector % Change
			Investment Budget Reallocation	Expenses Budget Reallocation	Total Revised Budget		
Residential Efficient Products	\$3,379,247	\$3,379,247		\$85,000	\$3,464,247	2.5%	
Home Performance with Energy Star	\$1,690,194	\$1,571,880			\$1,571,880		1.5%
Moderate Income Weatherization	\$898,028	\$718,422			\$718,422		
Multi-Family	\$1,228,542	\$1,167,115			\$1,167,115		
Commercial Direct Install	\$4,211,594	\$3,158,696	\$600,000		\$3,758,696	19.0%	
Commercial and Industrial Rebate	\$3,758,634	\$5,316,648	-\$600,000	\$50,000	\$4,766,648	-10.3%	0.6%
Peak Demand Reduction	\$1,153,749	\$1,096,061		-\$85,000	\$1,011,061	-7.8%	-7.8%
Clean Heat Beneficial Electrification	\$1,761,637	\$1,673,556		-\$50,000	\$1,623,556	-3.0%	-3.0%
<b>Total Budget</b>	<b>\$18,081,625</b>	<b>\$18,081,625</b>	<b>\$0</b>	<b>\$0</b>	<b>\$18,081,625</b>		

Thank you for your attention to this matter.

Respectfully submitted,

*Margaret Comes*  
Margaret Comes

c: email service list

<sup>2</sup> An Excel spreadsheet with the table is included with this filing as Appendix 1.