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## **NOTICE**

### **In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2024 – True-Up, Revised Budgets and Program Changes**

**[Docket No. QO23040236](#)**

#### **[Informational Session and Request for Comments](#)**

#### **BACKGROUND AND PROPOSED BUDGET REVISIONS**

The Fiscal Year 2024 (“FY24”) *New Jersey’s Clean Energy Program*™ (“NJCEP”) Budget, approved through a June 29, 2023 Board Order ([Docket No. QO23040236](#)), was established, in part, based upon an estimate of expenses and commitments expected to be incurred during Fiscal Year 2023 (“FY23”). Once actual expenses and commitments become known, the New Jersey Board of Public Utilities (“NJBPU”) typically approves a “True-Up Budget” truing-up for the differences between expenses and commitments estimated for budgetary purposes and the expenses and commitments actually incurred. Consistent with that practice, and now that all expenses actually incurred during FY23 and commitments existing as of June 30, 2023 are final and known, NJBPU Staff (“Staff”) has developed a proposed budget truing-up the differences between estimated expenses and commitments versus actual expenses and commitments, which results in an additional \$80,014,638 available for the NJCEP.

The allocation of the additional funds identified through the true-up, as well as the foregoing reallocation, is summarized below, including in the Proposed Revised FY24 Budget. Additionally, Staff is proposing revised Compliance Filings. These changes are collectively referred to as the “Proposal.”

Staff is requesting comments on the Proposal prior to presenting it to the Board for consideration. The schedule and process for submitting comments is set forth at the end of this Request for Comments.

#### **TRUE-UP CALCULATIONS**

The following tables shows the derivation of the \$80,014,638 true-up additional carryforward amount:

(In \$)

<i>FY23 Programs/Budget Line</i>	<i>FY23 Final Budget</i>	<i>FY23 Actual Expenses</i>	<i>FY23 Actual Year End Commitments</i>	<i>FY23 Actual Expenses plus Year End Commitments</i>	<i>FY23 Budget Less Actual Expenses and Commitments</i>
<b>Total NJCEP + State Initiatives</b>	657,147,718	227,663,759	330,137,407	557,801,167	99,346,551
<b>State Energy Initiatives</b>	92,674,000	85,913,242	-	85,913,242	6,760,758
<b>Total NJCEP</b>	564,473,718	141,750,518	330,137,407	471,887,925	92,585,793
<b>Energy Efficiency Programs</b>	298,838,400	76,406,798	156,491,468	232,898,266	65,940,134
<b>Distributed Energy Resources</b>	23,771,608	5,767,195	11,675,669	17,442,864	6,328,744
<b>RE Programs</b>	35,463,696	6,003,231	28,667,175	34,670,406	793,290
<b>EDA Programs</b>	28,940,000	1,424,805	27,475,195	28,900,000	40,000
<b>Planning and Administration</b>	56,689,084	17,107,855	28,356,388	45,464,243	11,224,841
<b>BPU Initiatives</b>	120,770,931	35,040,634	77,471,513	112,512,147	8,258,784

<i>FY23 Estimated Uncommitted Carryforward</i>	<i>FY23 Budget Less Actual Expenses and Commitments</i>	<i>Difference Between FY23 Estimated Uncommitted Carryforward and Actuals</i>	<i>Other Revenues (Interest Payments, Application Fees, etc.)</i>	<i>Additional FY23 Carryforward and Other Revenues</i>
38,087,454	99,346,551	61,259,097	18,755,540	80,014,638

### **Budget Table**

The following table shows the Original Budget (approved by the Board in June 2023), the allocation of the \$80,014,638 in additional carryforward from FY23, the proposed budget revisions, and the resulting Proposed Revised FY24 Budget:

**Proposed FY24 True-Up Budget (In \$)**

<i>FY24 Program/Budget Line</i>	<i>Initial FY24 Budget</i>	<i>Additional FY23 Carryforward and Other Revenue*</i>	<i>Line Item Transfers</i>	<i>Revised FY24 Budget</i>
<b>Total NJCEP + State Initiatives</b>	<b>660,108,841</b>	<b>80,014,638</b>	<b>-</b>	<b>740,123,479</b>
State Energy Initiatives	71,200,000	-	-	71,200,000
<b>Total NJCEP</b>	<b>588,908,841</b>	<b>80,014,638</b>	<b>-</b>	<b>668,923,479</b>
<b>Energy Efficiency Programs</b>	<b>296,222,053</b>	<b>-</b>	<b>(4,148,516)</b>	<b>292,073,537</b>
Res Low Income (Comfort Partners)	56,978,000	-	-	56,978,000
<b>C&amp;I EE Programs</b>	<b>83,217,851</b>	<b>-</b>	<b>(4,168,516)</b>	<b>79,049,335</b>
C&I Buildings	76,288,155	-	(3,648,940)	72,639,215
LGEA	5,362,042	-	975,910	6,337,952
DI	1,567,654	-	(1,495,486)	72,168
<b>New Construction Programs</b>	<b>60,571,611</b>	<b>-</b>	<b>20,000</b>	<b>60,591,611</b>
New Construction	60,571,611	-	20,000	60,591,611
<b>Energy Efficiency Transition</b>	<b>14,588,263</b>	<b>-</b>	<b>-</b>	<b>14,588,263</b>
<b>State Facilities Initiative</b>	<b>61,597,550</b>	<b>-</b>	<b>-</b>	<b>61,597,550</b>
<b>Acoustical Testing Pilot</b>	<b>3,281,880</b>	<b>-</b>	<b>-</b>	<b>3,281,880</b>
<b>LED Streetlights Replacement</b>	<b>15,986,898</b>	<b>-</b>	<b>-</b>	<b>15,986,898</b>
<b>Distributed Energy Resources</b>	<b>20,180,161</b>	<b>-</b>	<b>1,779,919</b>	<b>21,960,080</b>
CHP - FC	17,992,661	-	1,779,919	19,772,580
Microgrids	2,187,500	-	-	2,187,500
<b>RE Programs</b>	<b>23,895,254</b>	<b>450,000</b>	<b>170,465</b>	<b>24,515,719</b>
Offshore Wind	20,406,584	450,000	-	20,856,584
Solar Registration	3,488,670	-	170,465	3,659,135
<b>EDA Programs</b>	<b>37,912,044</b>	<b>-</b>	<b>-</b>	<b>37,912,044</b>
Clean Energy Manufacturing Fund	17,228	-	-	17,228
NJ Wind	25,400,942	-	-	25,400,942
R&D Energy Tech Hub	12,493,874	-	-	12,493,874
<b>Planning and Administration</b>	<b>68,093,398</b>	<b>12,180,713</b>	<b>2,198,132</b>	<b>82,472,243</b>
BPU Program Administration	5,585,000	1,500,000	-	7,085,000
Marketing	12,262,234	-	-	12,262,234
CEP Website	1,500,000	-	-	1,500,000
Program Evaluation/Analysis	42,354,552	10,680,713	2,008,041	55,043,306
<b>Outreach and Education</b>	<b>6,224,889</b>	<b>-</b>	<b>190,091</b>	<b>6,414,980</b>
Sustainable Jersey	889,000	-	-	889,000
NJIT Learning Center	1,155,632	-	-	1,155,632
Conference	405,257	-	-	405,257
Outreach, Website, Other	3,775,000	-	190,091	3,965,091
<b>Memberships</b>	<b>166,723</b>	<b>-</b>	<b>-</b>	<b>166,723</b>
<b>BPU Initiatives</b>	<b>142,605,931</b>	<b>67,383,925</b>	<b>-</b>	<b>209,989,856</b>
Community Energy Grants	5,574,034	-	-	5,574,034

<i><b>FY24 Program/Budget Line</b></i>	<i><b>Initial FY24 Budget</b></i>	<i><b>Additional FY23 Carryforward and Other Revenue*</b></i>	<i><b>Line Item Transfers</b></i>	<i><b>Revised FY24 Budget</b></i>
<b>Storage</b>	<b>24,000,000</b>	<b>6,500,000</b>	-	<b>30,500,000</b>
<b>Heat Island Pilot</b>	<b>2,500,000</b>	-	-	<b>2,500,000</b>
<b>Electric Vehicle Program</b>	<b>84,200,000</b>	<b>30,883,925**</b>	-	<b>115,083,925</b>
Plug In EV Incentive Fund	31,700,000	5,883,925	-	37,583,925
CUNJ Administrative Fund	3,000,000	500,000	-	3,500,000
CUNJ Residential Charger Incentive	4,500,000	-	-	4,500,000
EV Studies, Pilots, and Administrative Support	3,000,000	-	(1,500,000)	1,500,000
State Vehicle Fleet	6,000,000	2,500,000	-	8,500,000
Local Clean Fleet	6,000,000	3,500,000	-	9,500,000
Multi-Unit Dwellings (Chargers)	15,000,000	8,000,000	-	23,000,000
EV Tourism	8,000,000	-	-	8,000,000
E-Mobility Programs	7,000,000	-	(3,000,000)	4,000,000
Electric School Buses	-	10,500,000	4,500,000	15,000,000
<b>Energy Bill Assistance</b>	<b>21,831,897</b>	<b>30,000,000</b>	-	<b>51,831,897</b>
Arrearage Relief	21,831,897	-	-	21,831,897
Residential Customer Relief Initiative	-	30,000,000	-	30,000,000
<b>Workforce Development</b>	<b>4,500,000</b>	-	-	<b>4,500,000</b>

\*Other revenue includes interest earnings from the Clean Energy Fund and EDA Programs.

\*\*The additional carryforward and other revenue allocated to the Electric Vehicle Programs represent previous encumbrances and are not new funding with the exception of the Electric School Buses Program and the CUNJ Administrative Fund.

\*\*\*Numbers presented in the above three tables may not add up precisely to totals provided due to rounding.

## **PROPOSED BUDGET REVISIONS**

### **Allocations and Rationale**

#### *Proposed Increases*

Staff proposes to increase the budgets for the programs and initiatives below for the following amounts and reasons:

<b><u>Program</u></b>	<b><u>Reason(s)</u></b>	<b><u>Amount in \$</u></b>
LGEA	Budget adjusted to cover additional costs associated with auditing and performing benchmarking of State buildings	975,910
New Construction	Budget adjusted to reflect updated forecast of costs associated with the proposed new program	20,000
CHP – FC	Budget adjusted to accommodate upcoming projects for this program	1,779,919
Offshore Wind	Budget adjusted to ensure adequate funding to support programmatic needs associated with the fourth solicitation	450,000

Solar Registration	Budget adjustments are made to ensure sufficient funding is available to cover increased participation levels	170,465
BPU Program Administration	Budget adjusted to reflect costs associated with additional full-time employees and administrative expenses.	1,500,000
Program Evaluation/Analysis	Support an MOU between BPU and the EDA for assistance with grant applications in connection with the Creating Helpful Incentives to Produce Semiconductors Act and the Inflation Reduction Act. Also, funding has been allocated to continue to support additional evaluations and related research to further the Energy Master Plan's strategies.	12,688,754
Outreach, Website, Other	Provide additional support to BPU program focused events	190,091
Storage	Increased budget amount reflects an anticipated need to cover incentive payments as part of the implementation of the New Jersey Storage Incentive Program	6,500,000
Plug In EV Incentive Fund	Budget adjusted to reflect previous encumbrances	5,883,925
CUNJ Administrative Fund	Budget adjusted to support additional work under the existing contract with the Center for Sustainable Energy	500,000
State Vehicle Fleet	Budget adjusted to reflect previous encumbrances	2,500,000
Local Clean Fleet	Budget adjusted to reflect previous encumbrances	3,500,000
Multi-Unit Dwellings (Chargers)	Budget adjusted to reflect previous encumbrances and updated forecast of participation levels	8,000,000
Electric School Buses	Support legislative mandate between BPU and DEP to fund electric school buses	15,000,000
Residential Customer Relief Initiative	Additional support for qualified customers in need of financial bill assistance	30,000,000

*Proposed Deductions*

Staff proposes to decrease the budgets for the programs below for the following amounts and reasons:

<b><u>Program</u></b>	<b><u>Reason(s)</u></b>	<b><u>Amount in \$</u></b>
C&I Buildings	Budget adjusted to reflect updated forecast of participation levels	3,648,940
DI	Budget adjusted to reflect updated forecast of remaining costs of projects	1,495,487
EV Studies, Pilots, and Administrative Support	Budget adjusted to reflect updated timelines for when funds will be needed	1,500,000
E-Mobility Programs	Budget adjusted to reflect updated forecast of participation levels	3,000,000

Comfort Partners Program Budget Reallocation

Staff is recommending the Comfort Partners program budget funding to be shifted between cost categories to align with expected need in these service areas.

July 1st 2023 - June 30th 2024 CP Budget								
		Admin and Program Development	Sales, Marketing, Call Centers, Web Site	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, Inspections, Other QC	Evaluation & Research	Contractor Perf. Incentives
ACE	\$2,842,694.00	\$269,897.00	\$50,175.00	\$48,225.00	\$2,374,979.00	\$99,418.00	\$0.00	\$0.00
JCP&L	\$6,170,212.00	\$702,559.00	\$127,109.00	\$100,609.00	\$5,025,455.00	\$214,480.00	\$0.00	\$0.00
PSE&G- Elec	\$9,927,623.00	\$1,687,509.00	\$211,509.00	\$160,509.00	\$7,575,473.00	\$292,623.00	\$0.00	\$0.00
RECO	\$311,200.00	\$68,800.00	\$13,800.00	\$13,800.00	\$190,000.00	\$24,800.00	\$0.00	\$0.00
NJNG	\$6,481,319.00	\$269,972.00	\$130,972.00	\$124,305.00	\$5,748,598.00	\$207,472.00	\$0.00	\$0.00
Elizabethtown	\$3,790,634.00	\$251,197.00	\$66,297.00	\$68,682.00	\$3,241,776.00	\$162,682.00	\$0.00	\$0.00
PSE&G-Gas	\$23,164,457.00	\$3,937,522.00	\$493,522.00	\$374,522.00	\$17,676,104.00	\$682,787.00	\$0.00	\$0.00
SJG	\$4,289,861.00	\$352,047.00	\$80,434.00	\$77,697.00	\$3,635,786.00	\$143,897.00	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$56,978,000.00</b>	<b>\$7,539,503.00</b>	<b>\$1,173,818.00</b>	<b>\$968,349.00</b>	<b>\$45,468,171.00</b>	<b>\$1,828,159.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
PSE&G - Combined	\$33,092,080.00	\$5,625,031.00	\$705,031.00	\$535,031.00	\$25,251,577.00	\$975,410.00	\$0.00	\$0.00

July 1st 2023 - June 30th 2024 CP Budget (Proposed)								
		Admin and Program Development	Sales, Marketing, Call Centers, Web Site	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, Inspections, Other QC	Evaluation & Research	Contractor Perf. Incentives
ACE	\$3,166,694.00	\$270,897.00	\$56,175.00	\$54,225.00	\$2,674,979.00	\$110,418.00	\$0.00	\$0.00
JCP&L	\$6,021,172.00	\$541,099.00	\$127,249.00	\$100,749.00	\$5,032,455.00	\$219,620.00	\$0.00	\$0.00
PSE&G- Elec	\$9,801,263.00	\$1,068,249.00	\$220,809.00	\$169,809.00	\$8,040,473.00	\$301,923.00	\$0.00	\$0.00
RECO	\$408,400.00	\$70,600.00	\$15,600.00	\$15,600.00	\$280,000.00	\$26,600.00	\$0.00	\$0.00
NJNG	\$6,630,359.00	\$267,732.00	\$133,732.00	\$127,065.00	\$5,886,598.00	\$215,232.00	\$0.00	\$0.00
Elizabethtown	\$3,790,634.00	\$246,197.00	\$66,297.00	\$68,682.00	\$3,241,776.00	\$167,682.00	\$0.00	\$0.00
PSE&G-Gas	\$22,869,617.00	\$2,492,582.00	\$515,222.00	\$396,222.00	\$18,761,104.00	\$704,487.00	\$0.00	\$0.00
SJG	\$4,289,861.00	\$347,047.00	\$80,434.00	\$77,697.00	\$3,635,786.00	\$148,897.00	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$56,978,000.00</b>	<b>\$5,304,403.00</b>	<b>\$1,215,518.00</b>	<b>\$1,010,049.00</b>	<b>\$47,553,171.00</b>	<b>\$1,894,859.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
PSE&G - Combined	\$32,670,880.00	\$3,560,831.00	\$736,031.00	\$566,031.00	\$26,801,577.00	\$1,006,410.00	\$0.00	\$0.00

## **OTHER REVISED DOCUMENTS**

The following draft documents, incorporating the changes discussed above, have been released along with this Request for Comments.

- Division of Clean Energy Compliance Filing
- Comfort Partners Program Compliance Filing
- Program Administrator (TRC) Compliance Filing
- DPMC Designated Project List
- Comprehensive Resource Analysis

## **VIRTUAL INFORMATIONAL SESSION**

Staff will be holding a virtual informational session on the proposed true-up budget and proposed program revisions on **March 15, 2024 at 2:30 p.m. ET.**

This meeting will be conducted via a Zoom webinar. You must register for the meeting before attending by clicking the following registration link: [https://us06web.zoom.us/webinar/register/WN\\_ww-SL88SdWJCGHsfN6Zkg](https://us06web.zoom.us/webinar/register/WN_ww-SL88SdWJCGHsfN6Zkg).

## **PROCESS AND SCHEDULE FOR SUBMITTING COMMENTS**

The Board is also accepting written and/or electronic comments.

All public comments should be filed under [Docket No. QO23040236](#). The deadline for comments on this matter is **5 p.m. ET on ~~March 20, 2024~~ \*March 27, 2024**. Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's [Public Document Search](#). Comments are considered public documents for purposes of the State's Open Public Records Act. Only public documents should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:

### **Secretary of the Board**

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Dated ~~March 6, 2024~~ \***March 15, 2024**

*Sherri L. Golden*

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Sherri L. Golden  
Secretary of the Board