



March 27, 2024

VIA ELECTRONIC MAIL

Sherri L. Golden
Secretary of the Board
New Jersey Board of Public Utilities
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Re: Request for Comments – In The Matter Of New Jersey’s Clean Energy Program: New Construction Program [Docket No. QO22050327]

Dear Secretary Golden:

Please accept these comments on behalf of New Jersey Natural Gas Company (“NJNG”) in response to the March 6 & 15, 2024 request from the Staff of the Board of Public Utilities (“Board”) to provide comments on the Updates to New Jersey’s Clean Energy Program: New Construction Program (“NCP”).¹ NJNG is committed to improvements in energy efficiency, consumer energy affordability, access to reliable energy, and greenhouse gas emissions (“GHG”) reductions. NJNG appreciates the opportunity to offer these comments.

NJNG supports the NCP’s redesigned goals to increase energy efficiency by expanding the scope of energy savings, reducing greenhouse gas (“GHG”) emissions, eliminating market gaps with streamlined intake and program criteria, increasing customer participation and equity, and informing future building code development and compliance. NJNG defers to the local contractor and developer network as subject matter experts in designing efficient, affordable, and innovative buildings and projects for New Jerseyans. NJNG’s comments seek to enhance NCP by including more options to reduce GHG emissions reduction and opportunities for the customer, developer, and contractor to achieve energy savings.

Preserve Customer Choice To Achieve Decarbonization

While NJNG is disappointed to see that high efficiency natural gas technologies can not be pursued through the bundled pathway, NJNG was pleased to see that the other pathways support a fuel-neutral approach that allows developers and contractors to decide what solutions make sense for their project and support the state’s clean energy goals. This flexibility should entice more builders, developers and contractors to participate in the program as it allows them to select the level of incremental investment for

¹ In The Matter Of New Jersey’s Clean Energy Program: New Construction Program [[Docket No. QO22050327](#)] Revised: March 15, 2024.

enhanced energy saving features, or energy conservation measures (“ECM”), they wish to pursue for their project. However, it will be important to ensure that NCP still encourages and provides more robust incentives for comprehensive projects.

Commercial businesses and residential consumers must be able to maintain their right to choose efficient, affordable, and reliable direct use of natural gas as an energy source for their home. While extreme weather events often highlight calls for taking action to reduce emissions, they also display the need for a dual energy delivery system to ensure constituents are supplied the energy they need. We have noticed customers also rely more heavily on the gas system as a backup during time of large-scale electric outages. Roughly 30-40% of residents across NJNG’s service territory rely on portable backup generators during power outages, with many more opting for stand-by natural gas generators for home, business, and critical infrastructure back-up power.²

One of the goals of NCP is to support the state’s Energy Master Plan, specifically goals to increase NJ’s overall energy efficiency. NJNG believes continuing to include incentives for highly efficient gas equipment in all NCP pathways will preserve customer choice as well as achieve energy savings to meet the state’s clean energy goals. Commercial businesses and residential consumers must be able to maintain their right to choose efficient, affordable, and reliable direct use of natural gas as an energy source for their home or business.

Further, customer choice should extend beyond just which pathway to pursue. Customers, working in consultation with their architects, builders, and engineers should be able to consider a broad range of eligible measures in all NCP pathways. If NCP properly maintains a focus on achieving significant energy savings in comparison to traditional projects and code/appliance standards, it should allow customers to pursue high-efficiency natural gas equipment, including gas heat pumps .Lastly, the International Code Council (“ICC”) most recently updated its 2024 International Energy Conservation Code, providing developers and builders significant opportunities to pursue energy efficient measures and improvements to achieve improvement by 6.5% in residential buildings and 10% for commercial buildings.³ These code changes still allow for natural gas equipment to be included.

NJNG remains committed to partnering with the State to help achieve its energy-efficiency goals. Thank you, again, for the opportunity to provide these comments and allow us to be a part of the State’s energy future.

Respectfully submitted,



Anne-Marie Peracchio
Managing Director Marketing and Energy Efficiency

² [“Health Indicator Report of Portable Generators: Self-Reported Ownership for Use during Power Outages”](#), New Jersey Department of Health, 2020.

³ [The International Code Council](#) – Codes and Standards, Energy Conservation (March 20, 2024).