



May 21, 2024

VIA ELECTRONIC MAIL

Sherri L. Golden
Secretary of the Board
New Jersey Board of Public Utilities
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IN THE MATTER OF THE IMPLEMENTATION OF FEDERAL INFLATION REDUCTION
ACT HOMES (HOME EFFICIENCY REBATES) AND HEEHR (HOME ELECTRIFICATION
AND APPLIANCE REBATES) PROGRAM
BPU DOCKET NO. QO23100733 - Request for Information

Dear Secretary Golden:

Please accept these comments on behalf of New Jersey Natural Gas Company (“NJNG”) in response to the May 7, 2024 request from Staff of the Board of Public Utilities (“Staff” or “Board”) to respond to Request for Information (“RFI”) regarding the design of the program to implement the federal Inflation Reduction Act (“IRA”) Home Efficiency Rebate (“HOMES” or “HER”) and Home Electrification and Appliance Rebates (“HEEHR” or “HEAR”) formula funding.¹ NJNG has reviewed the proposal and would like to share the following comments:

Intended Use for Funds: NJNG is supportive of the Board’s staff intention to focus the application of funds to multifamily properties in low-income neighborhoods. A focus on serving the needs of multi-family customers through dedicated energy efficiency programs is a relatively new concept in New Jersey. NJNG and other utilities launched distinct multi-family programs during this first triennial of Clean Energy Act (“CEA”) programs. NJNG is committed to serving low-income multi-family properties through the CEA programs but understands Board’s staff interest in allocating additional funding to this sector.

Alignment with Utility Programs’ CEA Targets: The assignment of energy saving targets for the second triennial of CEA programs assumes that utilities would be solely serving the multi-family sector. Therefore, it is critical to ensure that any new programs that the Board may launch with Federal funding, or any other funding sources, must align and complement utility program offerings rather than compete with such programs. Competing programs could inhibit a utility’s ability to hit their energy saving targets and related Quantitative Performance Indicators (“QPI”).

¹ Under the Inflation Reduction Act of 2022 (136 Stat. 1818 (Aug. 16, 2022), Sections 50121 and 50122.

Efforts to align programs must carefully consider the appropriate attribution of savings, especially in light of the fact that this market was essentially assigned to the utilities, who cannot provide funding without getting full credit for savings associated with their efforts.

Alignment with Utility Programs to Avoid Market Confusion: In order to efficiently meet long term energy saving goals, it is important to avoid causing confusion or disruption to the marketplace. NJNG and other utilities have invested significant time and effort on outreach to trade allies and customers to raise awareness of the recently launched multifamily programs under the CEA. It would be counterproductive to implement new multi-family programs that are in competition with CEA programs.

Model to Collaboratively Serve Customers: NJNG's believes that the Board's pending proposal to expend State Energy Program funds in collaboration with the state's natural gas utilities to serve the needs of municipal electric customers could serve as a model for how to implement a streamlined approach to serving the needs of customers and trade allies. While a formal decision is still pending, the natural gas utilities and the NJCEP program implementation team have invested significant time exploring how to coordinate the approach that will blend federal funding with utility funded programs to provide a greater level of benefits to participating customers. NJNG is confident that should that proposal be approved, there will be significant learnings that can be applied to the alignment of CEA and IRA programs.

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