

October 31, 2024

VIA ELECTRONIC MAIL

Sherri L. Golden, Secretary
New Jersey Board of Public Utilities
44 S. Clinton Avenue
P.O. Box 350
Trenton, New Jersey 08625
sherri.golden@bpu.nj.gov
board.secretary@bpu.nj.gov

Brian O. Lipman, Director
New Jersey Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, New Jersey 08625
blipman@rpa.nj.gov

Re: Notification to Staff and Rate Counsel of Budget Reallocations Among Programs Within the Same Sector and Among Programs in Different Sectors and Request for Staff Approval of Budget Reallocations Among Programs in Different Sectors in JCP&L's EE&C Plan I

In the Matter of the Verified Petition of Jersey Central Power & Light Company for Approval of JCP&L's Energy Efficiency and Conservation Plan Including Energy Efficiency and Peak Demand Reduction Programs (JCP&L EE&C), BPU Docket No. EO20090620

Dear Secretary Golden and Mr. Lipman:

Jersey Central Power & Light Company ("JCP&L" or the "Company") hereby:

1. Provides notification to Staff of the New Jersey Board of Public Utilities (the "Board") and the New Jersey Division of Rate Counsel ("Rate Counsel") that the Company will be shifting budgets among individual programs within the Commercial and Industrial ("C&I") sector amounting to approximately 10.5% of the total Triennium 1 budget;
2. Provides notification to Staff and Rate Counsel that the Company will be shifting budgets from the Residential sector to the C&I sector amounting to approximately 9.9% of the total Triennium 1 budget; and
3. Requests Staff approval of a budget shift from the Residential sector to the C&I sector amounting to approximately 5.1% of the total Triennium 1 budget in excess of the 9.9% budget shift referenced immediately above that is permissible upon notification.

JCP&L provides these notifications and makes this request in accordance with the procedures set forth in the Board's May 24, 2023 Order (pp. 18-19) and October 25, 2023 Order (pp. 5, 8).

More specifically, the Orders permit a utility to shift budgets among programs within the same sector or among programs in different sectors as follows:

- Within any 365-day period, a utility may shift budgets between individual programs within the same sector up to and including 25% of the total triennium budget with notification to Staff and Rate Counsel, greater than 25% and up to 50% with Staff approval, and greater than 50% with Board approval; and
- Within any 365-day period, a utility may also shift budgets out of a sector up to and including 10% of the total triennium budget with notification to Staff and Rate Counsel, greater than 10% and up to 20% with Staff approval, and over 20% with Board approval.

The shifting of budgets is necessary to support JCP&L’s continuation of the C&I Direct Install subprogram during the Triennium 1 Extension Period. That subprogram has recently experienced very strong interest from contractors and customers, resulting in significant increases in applications to the Company’s and partner utility programs. Conversely, the Home Performance with Energy Star, Moderate Income Weatherization, Prescriptive/Custom, Energy Management, and Engineered Solutions subprograms have experienced slower ramp up rates of trade ally and customer participation than originally projected. In addition, the implementation of NJ A5160 and Federal Energy Independence and Security Act regulations has discontinued incentives for residential general service lighting under the Efficient Products subprogram. JCP&L thus has funding available to shift from these subprograms to the C&I Direct Install subprogram.

The following table explains the budget reallocations:

Sector	Program	Sub-Program	EE & PDR Stipulation T1 Approved Budget ¹	Budget Transfer Permitted By Notice				Budget Transfer Permitted By Staff Approval			
				EE & PDR Stipulation T1 First Revised Budget	Delta (Revised minus Approved)	% Change between programs ^{2,3}	% Change between sectors ²	EE & PDR Stipulation T1 Second Revised Budget	Delta (Revised minus Approved)	% Change between programs ²	% Change between sectors ²
Res	Efficient Products	Efficient Products	\$ 76,818,524	\$ 65,068,524	\$ (11,750,000)			\$ 59,018,524	\$ (6,050,000)		
	Existing Homes	Home Performance with Energy Sta	\$ 26,897,591	\$ 18,347,591	\$ (8,550,000)			\$ 13,897,591	\$ (4,450,000)		
	Existing Homes	Quick Home Energy Check-up	\$ 8,198,745	\$ 8,198,745	\$ -		-9.9%	\$ 8,198,745	\$ -		-5.1%
	Existing Homes	Moderate Income Weatherization	\$ 18,582,582	\$ 11,882,582	\$ (6,700,000)			\$ 8,382,582	\$ (3,500,000)		
	Home Energy Education and Mgmt	Behavioral	\$ 4,924,329	\$ 4,924,329	\$ -			\$ 4,924,329	\$ -		
MF	Multifamily	Multifamily	\$ 8,627,987	\$ 8,627,987	\$ -			\$ 8,627,987	\$ -		
C&I	Direct Install	Direct Install	\$ 32,499,912	\$ 88,149,912	\$ 55,650,000	10.5%		\$ 102,149,912	\$ 14,000,000		
	Energy Solutions for Business	Prescriptive / Custom	\$ 67,466,854	\$ 54,766,854	\$ (12,700,000)		9.9%	\$ 54,766,854	\$ -		5.1%
	Energy Solutions for Business	Energy Management	\$ 8,704,354	\$ 5,904,354	\$ (2,800,000)	-10.5%		\$ 5,904,354	\$ -		
	Energy Solutions for Business	Engineered Solutions	\$ 14,590,244	\$ 1,440,244	\$ (13,150,000)			\$ 1,440,244	\$ -		
Other	Home Optimization & PDR	Home Optimization & PDR	\$ 5,011,818	\$ 5,011,818	\$ -			\$ 5,011,818	\$ -		
		Total	\$ 272,322,941	\$ 272,322,941	\$ -			\$ 272,322,941	\$ -		

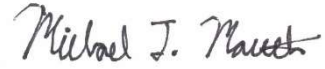
1. Total Approved extended T1 Plan Budget
2. Per Board Order 8B, May 24, 2023 at pages 18-19. Reiterated in Order 8G dated October 25, 2023 applicable to the Triennium 1 Extension: Within any 365-day period of time, each utility can shift budget(s) between individual programs within the same sector up to and including 25% of the total triennium budget with Staff and Rate Counsel notification; greater than 25% and up to 50% with Staff approval; and greater than 50% with Board approval. Within any 365-day period of time, each utility can shift budget(s) out of a sector up to and including 10% of the total triennium budget with Staff and Rate Counsel notification; greater than 10% and up to 20% with Staff approval; and greater than 20% with Board approval.
3. "% Change between programs" calculated based on budget adjustment between programs within the same sector.

Having provided notification, JCP&L will proceed with the two budget transfers that are permissible upon notification. JCP&L will await Staff approval to proceed with the budget transfer that requires Staff approval.

Consistent with the Board’s March 19, 2020 Order in BPU Docket No. EO20030254, this filing is being submitted by electronic mail only. No paper copies will follow.

Thank you for your cooperation and courtesies. If you have any questions, please feel free to contact me.

Respectfully submitted,

A handwritten signature in black ink that reads "Michael J. Martelo". The signature is written in a cursive style with a large initial 'M'.

Michael J. Martelo

cc: Service List (by email)