



STATE OF NEW JERSEY
Board of Public Utilities
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www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF COMPREHENSIVE ENERGY)
EFFICIENCY AND RENEWABLE ENERGY RESOURCE) ORDER
ANALYSIS FOR THE 2009 - 2012 CLEAN ENERGY)
PROGRAM: REVISED 2012 - 2013 PROGRAMS AND)
BUDGETS LOCAL GOVERNMENT ENERGY AUDIT)
PROGRAM (LGEA)¹) DOCKET NOS. EO07030203
) & EO11100631V

Parties of Record:

Joe Gennello, Honeywell Utility Solutions
Diane Zukas, TRC Energy Services
Michael Ambrosio, Applied Energy Group
Mark Mader, Jersey Central Power & Light
Timothy White, Atlantic City Electric
Scott Markwood, Orange & Rockland Utilities
Bruce Grossman, South Jersey Gas Company
Susan Ringhof, Public Service Electric and Gas Company
Tracey Thayer, New Jersey Natural Gas
Mary Patricia Keefe, Elizabethtown Gas
Stefanie Brand, Director, Rate Counsel

BY THE BOARD:

This Order memorializes action taken by the Board of Public Utilities (Board or "BPU") at its February 20, 2013 public meeting, where the Board adopted revised programs and budgets for the Clean Energy program.²

¹ The Board's February 20, 2013, published agenda included Clean Power Choice ("CPC") in the caption for this matter. However, at the meeting the Board determined to defer action on the CPC matter, so it is not addressed in this Order.

² The budgets approved in this Order are subject to availability of funds and State appropriations law.

BACKGROUND AND PROCEDURAL HISTORY

On February 9, 1999, the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq. ("EDECA") was signed into law. EDECA established requirements to advance energy efficiency and renewable energy in New Jersey through the societal benefits charge. N.J.S.A. 48:3-60(a)(3). EDECA further empowered the Board to initiate a proceeding and cause to be undertaken a comprehensive resource analysis ("CRA") of energy programs, which is currently referred to as the comprehensive energy efficiency ("EE") and renewable energy ("RE") resource analysis. Ibid. After notice, opportunity for public comment, public hearing, and consultation with the New Jersey Department of Environmental Protection ("DEP"), within eight months of initiating the proceeding and every four years thereafter, the Board determines the appropriate level of funding for EE and Class 1 RE programs that provide environmental benefits above and beyond those provided by standard offer or similar programs in effect as of February 9, 1999. These programs are now called New Jersey's Clean Energy Program (the "NJCEP").

By Order dated April 27, 2007, Docket No. EO07030203, the Board directed the Office of Clean Energy ("OCE" or "Staff") to initiate a third comprehensive EE and RE resource analysis proceeding and to schedule public hearings on program funding and funding allocations for the years 2009 through 2012. By Order dated September 30, 2008 (the "CRA III Order"), Docket No. EO07030203, the Board concluded this proceeding and set funding levels of \$245 million for 2009, \$269 million for 2010, \$319.5 million for 2011, and \$379.25 million for 2012. By Order dated December 20, 2011, Docket Nos. EO07030203 and EO11100631V, the Board approved 2012 programs and budgets for the NJCEP ("2012 Budget Order") as well as the compliance filings of Honeywell International, Inc. ("Honeywell"), TRC, Inc. ("TRC"), the OCE, and the electric and gas utilities (collectively referred to as "the Utilities"). The compliance filings included program descriptions and detailed budgets for each program.

By Order dated November 20, 2012, Docket Nos. EO07030203 and EO11100631V, the Board approved revised 2012 programs and budgets and initial 2013 programs and budgets, which resulted in an 18 month budget cycle from January 1, 2012 through June 30, 2013. The November 20, 2012, order also approved revised compliance filings of the Utilities, Honeywell, TRC, and OCE.

MODIFICATIONS TO PROGRAMS AND BUDGETS

In this Order the Board will consider modifications to the NJCEP, specifically the Local Government Energy Audit ("LGEA") program and the South Jersey Gas Comfort Partners Budget, and the corresponding compliance filings.

LOCAL GOVERNMENT ENERGY AUDIT PROGRAM

The Local Government Energy Audit Program (LGEA) currently offers energy audits to public schools interested in participating in an Energy Savings Improvement Program (ESIP). Prior to January 1, 2013, however, the program was also open to other local government entities and non-profit organizations. The change that limited the program to public schools was implemented, in part, because a significant portion of the NJCEP funds lapsed in the State's general fund and reduced the NJCEP budget.

Since the November 20, 2012, Order approving the change to the LGEA program, two things have occurred that have led to Staff recommending changes to the program. First, a number of municipal government entities have approached Staff and indicated that they were interested in participating in an ESIP and that the LGEA would be a useful tool to jumpstart the ESIP process. Several non-profits have also approached Staff indicating an interest in the LGEA. Second, TRC has forecast that it currently estimates that through June 30, 2013, it will only expend or commit approximately 70% of the LGEA budget leaving enough room in the existing LGEA budget to reopen the program to other local government entities and non-profits.

Based on the above, Staff recommends that the LGEA program be modified to include other local government entities as well as non-profit organizations. The same eligibility requirements in place in 2012 would be applicable to the revised program. Staff has also reviewed TRC's revised compliance filing and recommends Board approval.

COMFORT PARTNERS PROGRAM - SOUTH JERSEY GAS BUDGET

South Jersey Gas Company (SJG) submitted a letter dated January 15, 2013, to the OCE requesting the transfer of \$8,000 from the rebates, grants and other direct incentives budget category to the training budget category of its Board approved Comfort Partners program budget. The overall Comfort Partners program budget approved by the Board would remain unchanged. SJG has indicated to Staff that it inadvertently understated anticipated training expenses when it submitted its 2012 – 2013 budgets that were approved in the November 20, 2012, Order referenced above. Staff has reviewed this request and recommends approval.

DISCUSSION AND FINDINGS

Concerning the LGEA program, the Board **FINDS** that the recommended change is reasonable and consistent with the Board's interest in providing the program's benefits to as many qualifying entities as possible. The Board also **FINDS** that Staff's proposal is consistent with the 2012 scope of the program. The Board has also reviewed the proposed changes to the South Jersey Gas Budget and **FINDS** that the changes are of a minor nature and will not negatively impact the program. Therefore, the Board **HEREBY APPROVES** TRC's revised

compliance filing dated February 12, 2013 and the revised budgets submitted by SJG by letter dated January 15, 2013.

DATED: 3/5/13

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MARY-ANNA HOLDEN
COMMISSIONER

ATTEST: *Kristi Izzo*
KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities

Kristi Izzo

KRISTI IZZO

IN THE MATTER OF COMPREHENSIVE ENERGY EFFICIENCY AND RENEWABLE
ENERGY RESOURCE ANALYSIS FOR THE 2009 - 2012 CLEAN ENERGY PROGRAM:
REVISED 2012 AND INITIAL 2013 PROGRAMS AND BUDGETS –
CLEAN POWER CHOICE (CPC) AND
LOCAL GOVERNMENT ENERGY AUDIT PROGRAM (LGEA)
DOCKET NOS. EO07030203 & EO11100631V

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