

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

| | <u>CLEAN ENERGY</u> | |
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| IN THE MATTER OF THE ESTABLISHMENT OF A MULTI-UNIT DWELLING EV CHARGING PROGRAM |) ORDER REALLOCATING) FUNDING FOR THE EV) CHARGING PROGRAMS | |
| IN THE MATTER OF THE FISCAL YEAR 2022 ELECTRIC VEHICLE TOURISM INCENTIVE |) DOCKET NO. QO2110120 |)3 |
| PROGRAM |) DOCKET NO. QO2108107 | 7C |
| | | |

Party of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers the recommendation of Board Staff ("Staff") to reallocate funding from the Electric Vehicle ("EV") Tourism Incentive ("EV Tourism") Program to the Multi-Unit Dwelling ("MUD") Program (collectively, "Programs").

BACKGROUND AND PROCEDURAL HISTORY

On January 17, 2020, Governor Murphy signed S-2252 into law, constituting the EV Act. The EV Act, in relevant part, creates an incentive program for light duty EVs and at-home EV charging infrastructure.² The EV Act established the State's goals for the use of plug-in EVs and the development of supporting EV charging infrastructure.³ In particular, the EV Act authorizes the Board to adopt policies and programs to accomplish the State's goals, which include the following:

1. At least 1,000 Level-Two ("L2") charging locations shall be available for public use across the state by December 31, 2025.4

¹ N.J.S.A. 48:25-1 et seq.

² The EV Act defines a "light duty vehicle" as one that is a two-axle, four-wheel vehicle, designed primarily for passenger travel or light duty commercial use, approved to travel on public roads, and generally classified as a car, minivan, sport utility vehicle, cross-over, or pick-up truck. N.J.S.A. 48:25-2.

³ See N.J.S.A. 48:25-3.

⁴ N.J.S.A. 48:25-3a(5). L2 charging stations are a type of electric vehicle supply equipment ("EVSE")

2. At least 400 Direct Current Fast Chargers ("DCFC") shall be available for public use at no fewer than 200 charging locations in the state by December 31, 2025.⁵

- 3. At least 15% of all multi-family residential properties in the state shall be equipped with EVSE available to residents through a combination of Level-One EVSE, L2 EVSE, and Make-Ready⁶ parking spaces by December 31, 2025.⁷
- 4. At least 20% of all franchised overnight lodging establishments shall be equipped with EVSE for routine use by guests of the establishment by providing L2 EVSE by December 31, 2025.8

In June 2021, the Fiscal Year 2022 ("FY22") New Jersey State Budget and Appropriations Act allocated an additional \$14 million to the Board for the purpose of creating programs to encourage EV charging infrastructure.⁹ These additional funds are designed to move New Jersey closer to the goals outlined in the EV Act. On September 14, 2021, the Board created the EV Tourism Program and allocated \$4 million of the \$14 million appropriated by the Legislature in FY22 to create a program to fund EV charging stations at tourism locations in New Jersey.¹⁰ On December 15, 2021, the Board created the MUD Program to fund EV charging stations at MUDs across the State, allocating \$1 million to the MUD Program from the \$14 million allocated by the Legislature.¹¹ In addition to these Programs, on August 18, 2021, the Board approved the opening of the Clean Fleet Program for FY22 ("Clean Fleet Program"), aimed at encouraging local (municipal and county) and State government entities to convert their fleets to EV fleets.¹²

In January 2022, the Board opened the MUD Program and, within two (2) months, had applications for nearly half of the \$1 million of allocated funds. The application window for the MUD Program closed on May 16, 2022.

In March 2022, the Board announced the awards of the first round of EV Tourism Program funding, allocating more than \$1 million to 24 projects across the state. In the first round of applications, Staff received over \$8 million in project proposals. On March 21, 2022, the EV Tourism Program Round Two application opened, and Staff released a new application and a

utilized to charge an electric vehicle from the grid. See N.J.S.A. 48:25-2.

⁵ N.J.S.A. 48:25-3a(4)(a). DCFC are a higher power output type of EVSE utilized to charge an electric vehicle from the grid. For further detail regarding what constitutes a DCFC. <u>See</u> N.J.S.A. 48:25-2.

⁶ "Make-Ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of EVSE, including, but not limited to, L2 EVSE and DCFCs. Make-Ready includes expenses related to service panels, junction boxes, conduits, wiring, etc., necessary to make a particular location able to accommodate EVSE on a "plug and play" basis. In re Straw Proposal on Electric Vehicle Infrastructure Build Out, BPU Docket No. QO20050357, Order dated September 23, 2020.

⁷ N.J.S.A. 48:25-3a(6)(a).

⁸ N.J.S.A. 48:25-3a(7)(a).

⁹ L. 2021, c.133; https://www.njleg.state.nj.us/2020/Bills/S2500/2022 I1.PDF at Grant-in-Aid 54-2008.

¹⁰ In re the FY22 Electric Vehicle Tourism Incentive Program, BPU Docket No. QO21081070, Order dated September 14, 2021 ("FY22 EV Tourism Order").

¹¹ In re the FY22 Multi-Unit Dwelling EV Charging Incentive Program, BPU Docket No. QO21101203, Order dated December 15, 2021 ("FY22 MUD EV Order").

¹² In re the FY22 Clean Fleet Electric Vehicle Incentive Program, BPU Docket No. QO21070999, dated August 18, 2021.

resource document to address many of the frequently asked questions. The application period ended on May 16, 2022, and there was a robust response.

On May 18, 2022, the Board reallocated funding to provide the EV Tourism Program with a total of \$8.5 million and the MUD Program with a total of \$4.5 million ("EV Funding Reallocation Order").¹³ Following the EV Funding Reallocation Order, Staff reopened applications for the MUD Program for two (2) additional weeks, closing the application period on June 3, 2022.

Upon review of both the applications in the Programs, Staff proposes to reallocate funding to fully fund applications in both Programs.

STAFF RECOMMENDATION

Of the \$14 million appropriated by the Legislature, Staff proposes reallocating \$1 million from the \$8.5 million budget for the EV Tourism Program to the MUD Program in order to fully fund all eligible applications submitted to both Programs. The EV Tourism Program then would have a total remaining budget of \$7.5 million, and the MUD Program would increase its current \$4.5 million budget to \$5.5 million, as the following table illustrates:

| Program | Amount allocated by | Amount | Total Funding |
|-------------------|---------------------|------------------|---------------|
| | Board | authorized by | |
| | | this Board Order | |
| EV Tourism | \$8,500,000 | (\$1,000,000) | \$7,500,000 |
| MUD | \$4,500,000 | \$1,000,000 | \$5,500,000 |
| Clean Fleet | \$1,000,000 | | \$1,000,000 |
| | | | |
| Total | \$14,000,000 | \$0 | \$14,000,000 |

DISCUSSION AND FINDINGS

The EV Act authorizes the Board to fund programs that move the State closer to the EV goals outlined within the EV Act. In addition to these Programs, the Board has worked to shape existing Board and public utility programs that prioritize private investment in EV infrastructure and encourage EV adoption through utility minimum filing requirements, approval of utility programs, and creation of other EV and EV charging incentive programs.

The Legislature's allocation of funds devoted to EV infrastructure is an indication of the importance of investment in EV infrastructure to achieve New Jersey's transportation electrification goals, as defined in the EV Act. Based upon the effectiveness of the Programs, this proposed reallocation will fully fund all eligible applications submitted to both Programs, thereby moving the State closer to reaching its EV goals.

The Board <u>HEREBY FINDS</u> that the reallocation of funding is reasonable and in the best interest of the State. The Board agrees with the recommendations of Staff, and <u>HEREBY APPROVES</u> the reallocation of funding as Staff proposed. The Board <u>HEREBY AUTHORIZES</u> Staff to review the Programs' applications and disburse funding from the Programs' budgets in accordance with

¹³ In re the Establishment of a Multi-Unit Dwelling EV Charging Program, et al., Order Reallocating Funding for the EV Charging Programs, BPU Docket Nos. QO21101203, QO21070999, and QO21081070, Order dated May 18, 2022,

established Board procedures and established Program requirements until the updated budget is expended or through June 30, 2022, whichever comes first.

This Order shall be effective June 29, 2022.

DATED: June 29, 2022

BOARD OF PUBLIC UTILITIES

BY:

PRESIDENT

COMMISSIONER

COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

COMMISSIONER

ATTEST:

CARMEN D. DIAZ **ACTING SECRETARY**

> I HEREBY CERTIFY that the W document is a true copy of the origin the files of the Board of Public U

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IN THE MATTER OF THE FISCAL YEAR 2022 ELECTRIC VEHICLE TOURISM INCENTIVE PROGRAM

DOCKET NOS. QO21101203 AND QO21081070

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