



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
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CLEAN ENERGY

IN THE MATTER OF THE CLEAN ENERGY PROGRAMS ) ORDER  
AND BUDGET FOR FISCAL YEAR 2016 (FY16) – )  
FY16 FOURTH REVISED BUDGET ) DOCKET NO QO15040477

**Parties of Record:**

- Janja Lupse, CLEAResult Consulting Inc.
- Diane Zukas, TRC Energy Services
- Michael Ambrosio, Applied Energy Group
- Mark Mader, Jersey Central Power & Light
- Timothy White, Atlantic City Electric
- Sandra Eason-Perez, Orange & Rockland Utilities
- Bruce Grossman, South Jersey Gas Company
- Susan Ringhof, Public Service Electric and Gas Company
- Andrew Dembia, Esq., New Jersey Natural Gas
- Mary Patricia Keefe, Esq., Elizabethtown Gas
- Stefanie A. Brand, Esq., Director, Rate Counsel

**BY THE BOARD:**

This Order memorializes action taken by the Board of Public Utilities (“Board”) at its June 29, 2016 public meeting, where the Board considered certain revisions to the Fiscal Year 2016 (“FY16”) budget for New Jersey’s Clean Energy Program (“NJCEP”).<sup>1</sup>

**BACKGROUND AND PROCEDURAL HISTORY**

In accordance with the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq. (“EDECA”), and by Order dated June 25, 2015 (“FY16 Budget Order”), Docket No. QO15040477, the Board approved FY16 programs and budgets for NJCEP. In the FY16 Budget Order, the Board also approved the FY16 compliance filings of Honeywell International, Inc. (“Honeywell”), which managed the Residential EE and RE Programs, TRC Energy Solutions, Inc. (“TRC”), which manages the commercial and industrial (“C&I”) EE Programs, the Office of

<sup>1</sup> The budgets approved in this Order are subject to State appropriations law.

Clean Energy ("OCE"), which includes the programs managed by the OCE and the New Jersey Economic Development Authority ("EDA"), and the electric and gas utilities (collectively referred to as "the Utilities"), which administer the Comfort Partners Program.<sup>2</sup> The compliance filings included detailed budgets for each program.

By Order dated November 16, 2015, the Board approved revisions to the FY16 NJCEP budget to reflect a true-up of actual and estimated FY15 expenses and commitments, as well as a true-up of certain actual and estimated FY15 funding; by Order dated January 27, 2016, the Board approved a second set of revisions to the FY16 NJCEP budget, reallocating funds to programs that were experiencing higher than anticipated participation levels; and by Order dated March 18, 2016, the Board approved a third set of revisions to the FY16 NJCEP budget, again reallocating funds to programs that were experiencing higher than anticipated participation levels. The FY16 NJCEP Budget, as revised according to the foregoing, is referred to as the "Current Budget" in the below tables.

On May 31, 2016, OCE Staff provided the public with notice of and the opportunity to comment on the proposed revisions to the FY16 NJCEP Budget that are identified and discussed in more detail below. On that same day, those proposed revisions were also circulated to the EE and RE Committee listservs and posted on the NJCEP website. Comments were due by June 15, 2016. Finally, the proposed revisions were also discussed at the June 14, 2016 meetings of the EE Committee and RE Committee.

This Order makes revisions to the NJCEP Budget as set forth below.

### **PROPOSED FY16 BUDGET REVISIONS**

After the adoption of the original FY16 NJCEP Budget, the administration of NJCEP has been transitioned to a new Program Administrator, thereby requiring the realignment of the budgets to reflect the new pricing structures related to that transition; a new initiative has been identified; a program has experienced higher than anticipated participation levels; and other programs have been identified as requiring either greater or lesser amounts of funding than originally anticipated. Accordingly, OCE Staff has proposed revisions to the FY16 NJCEP Budget as shown in the tables below, the combined effect of which is to leave the total amount of the overall FY16 NJCEP Budget unchanged and to increase the amount of the overall FY16 "Rebate" budget category by \$1,400,000 as compared to the Current Budget.

The following summarizes OCE Staff's proposed revisions to the FY16 NJCEP Budget (collectively, the "Proposed Budget Revisions") to address and implement the foregoing:

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<sup>2</sup> Applied Energy Group ("AEG"), the previous Program Coordinator, was awarded a contract to provide a broad scope of Program Administrator services on December 1, 2015. Since then, and as discussed in more detail elsewhere in this Order, the parties have transitioned responsibilities from the outgoing Market Managers to the incoming Program Administrator, AEG, and its team of subcontractors.

### **Re-align Detailed Budgets**

In April 2015, the Board issued RFP 16-X-23938, seeking proposals for a single Program Administrator. On December 1, 2015, the New Jersey Department of the Treasury awarded AEG a contract to provide Program Administrator services to the Board. The transition of the management of NJCEP to AEG and its team was accomplished by March 1, 2016, and the then-existing contracts ("Old Contracts") expired on March 31, 2016. AEG will be paid in accordance with its new PA Contract, which provides for payments different than those in the Old Contracts. The related budgets therefore need to be realigned to reflect the payments due under the new PA Contract.

The most recent NJCEP detailed budgets (i.e., those including allocations among Cost Categories such as "Administration" and "Training") approved by the Board for FY16 for the programs currently managed by AEG were those included in Honeywell's and TRC's (i.e., the previous Market Managers') most recent compliance filings, and they reflected the Old Contracts.

To ensure the funds remaining in detailed budgets will be sufficient to cover anticipated costs through the remainder of FY16, AEG performed the following analysis and shared the results with OCE Staff:

1. Identified the fees charged against each Cost Category for each program by AEG, Honeywell, and TRC under the Old Contracts.
2. Estimated AEG fees under the PA Contract for each Cost Category for each program for the period from March 1, 2016 through June 30, 2016.
3. Added #1 to #2 to estimate the updated total FY16 fees for each Cost Category for each program.
4. Compared the updated total to the detailed budgets last approved by the Board.

The above analysis identified Cost Categories in a number of programs that lacked sufficient funding to cover all anticipated program expenses through the remainder of FY16 and also identified other Cost Categories that had an excess of funding for their currently anticipated expenses. The foregoing resulted primarily from pricing structure differences between the Old Contracts and the new PA Contract.

To ensure the budget for each cost category for each program has sufficient, but not excess, funding, AEG and, in turn, OCE Staff have proposed to realign the detailed budgets through the budget revisions reflected in the tables set forth below in this Order.

### **HVAC Program**

During FY16, the HVAC Program has experienced higher than anticipated participation levels. To ensure sufficient funding to cover Program expenses incurred through June 30, 2016, OCE Staff has proposed the transfer of \$1,500,000 to the HVAC Program's "Rebate, Grants, and Other Direct Incentives" Cost Category.

### **State Facility Initiatives**

During FY16, OCE staff identified a new initiative which would serve the goals of the NJCEP program. The State Facilities Initiative would implement and fund energy efficiency and energy savings projects for State-owned and operated buildings and grounds. This includes air handling and movement, lighting and equipment upgrades and replacements, and other energy efficient measures. OCE Staff has proposed the transfer of \$7,500,000 to this new initiative.

### **TRUE Grant**

The Temporary Relief for Utility Expenses (TRUE) Grant Program was required by legislation that transferred \$25,000,000 away from NJCEP and towards financial assistance to help low-income customers pay utility bills. The Board originally budgeted \$3,000,000 for the TRUE Grant Program in FY16, leaving a remaining balance of \$3,291,000 to meet the requirements of the legislation. To complete the funding of those requirements, OCE Staff has proposed transferring the remaining \$3,291,000 to the TRUE Grant Program.

### **Budget Tables**

As previously mentioned, the Proposed Budget Revisions are shown in the following tables, with the first table showing the current budgets, the second table showing the increases/decreases proposed by OCE Staff, and the third table showing the budgets that would result from the adoption of the proposed increases/decreases.

[Tables Follow]

Table 1: Current Budgets

Program/Budget Line	CURRENT BUDGETS						
	Total Approved Budget	Administration	Sales, Marketing, Website	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, and QA	Evaluation
<b>Total INCE</b>	<b>\$27,420,010.29</b>	<b>\$1,500,000.00</b>	<b>\$3,300,000.00</b>	<b>\$272,017.81</b>	<b>\$21,050,692.28</b>	<b>\$3,420,000.00</b>	<b>\$3,213,423.53</b>
<b>EE Programs</b>	<b>\$282,101,624.08</b>	<b>\$1,500,946.89</b>	<b>\$3,135,600.18</b>	<b>\$2,726,617.81</b>	<b>\$253,591,197.30</b>	<b>\$11,048,261.91</b>	<b>\$0.00</b>
<b>Res EE Programs</b>	<b>\$86,757,161.56</b>	<b>\$5,015,630.22</b>	<b>\$1,249,033.75</b>	<b>\$755,203.84</b>	<b>\$75,497,902.57</b>	<b>\$4,239,391.18</b>	<b>\$0.00</b>
HVAC	\$13,187,678.81	\$1,306,764.00	\$0.00	\$755,203.84	\$9,792,288.57	\$1,333,422.40	\$0.00
RNC	\$18,677,692.95	\$1,249,392.00	\$0.00	\$0.00	\$16,981,960.00	\$446,340.95	\$0.00
EE Products	\$15,791,045.25	\$1,415,053.14	\$0.00	\$0.00	\$14,051,035.53	\$324,956.58	\$0.00
HPwES	\$37,851,710.80	\$1,044,421.08	\$0.00	\$0.00	\$34,672,618.47	\$2,134,671.25	\$0.00
Marketing - Res EE	\$1,249,033.75	\$0.00	\$1,249,033.75	\$0.00	\$0.00	\$0.00	\$0.00
<b>Res Low Income</b>	<b>\$30,000,000.00</b>	<b>\$2,001,695.87</b>	<b>\$811,566.43</b>	<b>\$345,549.97</b>	<b>\$25,286,683.42</b>	<b>\$1,554,504.31</b>	<b>\$0.00</b>
Comfort Partners	\$30,000,000.00	\$2,001,695.87	\$811,566.43	\$345,549.97	\$25,286,683.42	\$1,554,504.31	\$0.00
<b>C&amp;I EE Programs</b>	<b>\$165,344,462.53</b>	<b>\$2,582,620.80</b>	<b>\$1,075,000.00</b>	<b>\$1,825,864.00</b>	<b>\$154,806,611.31</b>	<b>\$5,254,366.42</b>	<b>\$0.00</b>
C&I NC	\$2,966,229.94	\$237,454.00	\$0.00	\$356,091.00	\$2,251,840.24	\$120,844.70	\$0.00
C&I EB	\$54,970,880.80	\$772,550.80	\$0.00	\$384,578.28	\$50,425,411.72	\$3,388,340.00	\$0.00
P4P NC	\$18,140,835.90	\$174,600.00	\$0.00	\$366,860.08	\$17,440,375.82	\$159,000.00	\$0.00
P4P EB	\$34,771,374.30	\$554,800.00	\$0.00	\$508,334.64	\$33,259,239.66	\$449,000.00	\$0.00
LGEA	\$3,232,012.50	\$220,000.00	\$0.00	\$0.00	\$2,508,012.50	\$504,000.00	\$0.00
DI	\$32,661,579.73	\$485,000.00	\$0.00	\$10,000.00	\$31,718,079.73	\$448,500.00	\$0.00
Marketing - C&I EE	\$1,075,000.00	\$0.00	\$1,075,000.00	\$0.00	\$0.00	\$0.00	\$0.00
LEUP	\$17,526,549.36	\$138,216.00	\$0.00	\$0.00	\$17,203,651.64	\$184,681.72	\$0.00
<b>State Facilities Initiative</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
State Facilities Initiative	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>CHP - Fuel Cell</b>	<b>\$41,558,487.11</b>	<b>\$50,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$41,371,180.19</b>	<b>\$137,306.92</b>	<b>\$0.00</b>
CHP - Fuel Cell Lg/Sm	\$41,558,487.11	\$50,000.00	\$0.00	\$0.00	\$41,371,180.19	\$137,306.92	\$0.00
<b>RE Programs</b>	<b>\$17,314,908.72</b>	<b>\$1,376,206.92</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$12,642,709.21</b>	<b>\$2,845,556.68</b>	<b>\$450,433.41</b>
Offshore Wind	\$450,433.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$450,433.41
REIP	\$16,864,472.81	\$1,376,206.92	\$0.00	\$0.00	\$12,642,709.21	\$2,845,556.68	\$0.00
<b>EDA Programs</b>	<b>\$14,317,157.84</b>	<b>\$238,388.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$14,133,418.72</b>	<b>\$0.00</b>	<b>\$0.00</b>
CEMF	\$6,579,560.26	\$79,456.00	\$0.00	\$0.00	\$6,500,104.26	\$0.00	\$0.00
GGF	\$3,768,544.45	\$79,456.00	\$0.00	\$0.00	\$3,689,088.45	\$0.00	\$0.00
LSCHP/FC	\$4,023,680.00	\$79,456.00	\$0.00	\$0.00	\$3,944,224.00	\$0.00	\$0.00
<b>NJCEP Administration</b>	<b>\$14,013,517.16</b>	<b>\$3,842,423.36</b>	<b>\$2,184,721.70</b>	<b>\$0.00</b>	<b>\$1,311,932.04</b>	<b>\$509,750.00</b>	<b>\$4,763,380.12</b>
<b>OCE Admin/OH</b>	<b>\$3,720,995.51</b>	<b>\$2,811,446.51</b>	<b>\$377,299.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$509,750.00</b>	<b>\$22,500.00</b>
OCE Staff/OH	\$2,400,000.00	\$2,400,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PC	\$1,320,995.51	\$411,446.51	\$377,299.00	\$0.00	\$0.00	\$509,750.00	\$22,500.00
<b>Memberships-Dues</b>	<b>\$10,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Sponsorships	\$10,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00
<b>OCE Eval/Research</b>	<b>\$4,740,890.12</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,740,890.12</b>
Rutgers-CEEP	\$1,752,478.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,752,478.12
Program Evaluation	\$2,988,412.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,988,412.00
<b>Miscellaneous</b>	<b>\$6,140,331.53</b>	<b>\$3,030,976.79</b>	<b>\$1,807,422.70</b>	<b>\$0.00</b>	<b>\$1,301,932.04</b>	<b>\$0.00</b>	<b>\$0.00</b>
CE Business Website	\$92,488.14	\$0.00	\$92,488.14	\$0.00	\$0.00	\$0.00	\$0.00
Rutgers LESS	\$150,000.00	\$0.00	\$0.00	\$0.00	\$150,000.00	\$0.00	\$0.00
NJIT CE Learning Center	\$375,000.00	\$0.00	\$0.00	\$0.00	\$375,000.00	\$0.00	\$0.00
Sustainable Jersey	\$776,932.04	\$0.00	\$0.00	\$0.00	\$776,932.04	\$0.00	\$0.00
New Marketing Contract	\$1,714,934.56	\$0.00	\$1,714,934.56	\$0.00	\$0.00	\$0.00	\$0.00
Program Transition	\$3,030,976.79	\$3,030,976.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TRUE Grant</b>	<b>\$3,000,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,000,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
TRUE Grant	\$3,000,000.00	\$0.00	\$0.00	\$0.00	\$3,000,000.00	\$0.00	\$0.00

Table 2: Proposed Budget Modifications

Program/Budget Line	PROPOSED CHANGES						
	Total Approved Budget	Administration	Sales, Marketing, Website	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, and QA	Evaluation
<b>Total Budget</b>	<b>\$7,339,913.50</b>	<b>(\$1,987,823.49)</b>	<b>(\$1,570,986.95)</b>	<b>(\$979,890.11)</b>	<b>\$1,400,000.00</b>	<b>(\$154,922.93)</b>	<b>(\$1,000,000.00)</b>
<b>EE Programs</b>	<b>\$7,339,913.50</b>	<b>(\$1,900,151.44)</b>	<b>(\$259,646.59)</b>	<b>(\$979,890.11)</b>	<b>\$6,700,000.00</b>	<b>(\$20,711.21)</b>	<b>\$0.00</b>
<b>Res EE Programs</b>	<b>\$2,795,580.54</b>	<b>\$703,260.77</b>	<b>(\$185,662.04)</b>	<b>(\$94,001.05)</b>	<b>\$1,300,000.00</b>	<b>\$1,071,982.86</b>	<b>\$0.00</b>
HVAC	\$1,458,418.79	\$138,146.49	\$14,720.00	(\$181,751.05)	\$1,500,000.00	(\$12,696.65)	
RNC	\$336,407.10	\$157,297.11	\$14,720.00	\$40,500.00		\$123,889.99	
EE Products	\$1,021,830.35	\$253,582.96	\$14,720.00		(\$200,000.00)	\$953,527.39	
HPWES	\$223,466.34	\$154,234.21	\$14,720.00	\$47,250.00		\$7,262.13	
Marketing - Res EE	(\$244,542.04)		(\$244,542.04)				
<b>Res Low Income</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Comfort Partners	\$0.00						
<b>C&amp;I EE Programs</b>	<b>(\$2,955,667.04)</b>	<b>\$1,196,890.64</b>	<b>(\$73,984.55)</b>	<b>(\$885,879.06)</b>	<b>(\$2,100,000.00)</b>	<b>(\$1,092,694.07)</b>	<b>\$0.00</b>
C&I NC	\$24,836.13	\$220,112.38	\$14,720.00	(\$188,996.25)		(\$21,000.00)	
C&I EB	(\$734,272.91)	\$132,288.62	\$14,720.00	(\$206,210.00)		(\$675,071.53)	
P4P NC	\$4,317.84	\$222,907.15	\$14,720.00	(\$197,716.71)		(\$35,592.60)	
P4P EB	(\$216,536.52)	\$129,199.58	\$14,720.00	(\$295,456.10)		(\$65,000.00)	
LGEA	\$88,086.34	\$160,396.28	\$14,720.00			(\$87,029.94)	
DI	(\$2,202,265.67)	\$77,514.33	\$14,720.00	\$2,500.00	(\$2,100,000.00)	(\$197,000.00)	
Marketing - C&I EE	(\$177,024.55)		(\$177,024.55)				
LEUP	\$257,192.30	\$254,472.30	\$14,720.00			(\$12,000.00)	
<b>State Facilities initiative</b>	<b>\$7,500,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7,500,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
State Facilities Initiative	\$7,500,000.00				\$7,500,000.00		
<b>CHP - Fuel Cells</b>	<b>(\$1,913,853.94)</b>	<b>\$97,732.52</b>	<b>\$14,720.00</b>	<b>\$0.00</b>	<b>(\$2,000,000.00)</b>	<b>(\$26,306.46)</b>	<b>\$0.00</b>
CHP - Fuel Cell Lg/Sm	(\$1,913,853.94)	\$97,732.52	\$14,720.00		(\$2,000,000.00)	(\$26,306.46)	
<b>RE Programs</b>	<b>(\$4,376,611.26)</b>	<b>\$0.00</b>	<b>\$14,720.00</b>	<b>\$0.00</b>	<b>(\$4,591,331.26)</b>	<b>\$200,000.00</b>	<b>\$0.00</b>
Offshore Wind	\$0.00						
REIP	(\$4,376,611.26)		\$14,720.00		(\$4,591,331.26)	\$200,000.00	
<b>EDA Programs</b>	<b>(\$2,000,000.00)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$2,000,000.00)</b>	<b>\$0.00</b>	<b>\$0.00</b>
CEMF	(\$500,000.00)				(\$500,000.00)		
GGF	(\$1,500,000.00)				(\$1,500,000.00)		
LSCHP/FC	\$0.00						
<b>NJCEP/Administration</b>	<b>(\$2,340,779.56)</b>	<b>\$0.00</b>	<b>(\$1,340,779.56)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$1,000,000.00)</b>
<b>OCE Admin/OH</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
OCE Staff/OH	\$0.00						
PC	\$0.00						
<b>Memberships-Dues</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Sponsorships	\$0.00						
<b>OCE Eval/Research</b>	<b>(\$1,000,000.00)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$1,000,000.00)</b>
Rutgers-CEEP	\$0.00						
Program Evaluation	(\$1,000,000.00)						(\$1,000,000.00)
<b>Miscellaneous</b>	<b>(\$1,340,779.56)</b>	<b>\$0.00</b>	<b>(\$1,340,779.56)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
CE Business Website	\$0.00						
Rutgers LESS	\$0.00						
NJIT CE Learning Center	\$0.00						
Sustainable Jersey	\$0.00						
New Marketing Contract	(\$1,340,779.56)		(\$1,340,779.56)				
Program Transition	\$0.00						
<b>TRUE Grant</b>	<b>(\$3,291,331.26)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$3,291,331.26)</b>	<b>\$0.00</b>	<b>\$0.00</b>
TRUE Grant	\$3,291,331.26				\$3,291,331.26		

Table 3: Revised Budgets

PROPOSED REVISED BUDGETS							
Program/Budget Line	Total Approved Budget	Administration	Sales, Marketing, Website	Training	Rebates, Grants and Other Direct Incentives	Rebate Processing, and QA	Evaluation
<b>Total OCE</b>	<b>\$372,443,153.25</b>	<b>\$1,104,928.04</b>	<b>\$37,253,172.72</b>	<b>\$1,267,327.70</b>	<b>\$28,446,877.65</b>	<b>\$4,003,967.04</b>	<b>\$4,213,823.53</b>
<b>EE Programs</b>	<b>\$288,443,537.59</b>	<b>\$1,150,098.30</b>	<b>\$2,875,953.59</b>	<b>\$1,746,737.70</b>	<b>\$262,294,197.90</b>	<b>\$11,027,550.70</b>	<b>\$0.00</b>
<b>Res EE Programs</b>	<b>\$88,552,742.10</b>	<b>\$5,718,890.99</b>	<b>\$1,063,371.71</b>	<b>\$661,202.79</b>	<b>\$76,797,902.57</b>	<b>\$5,311,374.04</b>	<b>\$0.00</b>
HVAC	\$14,646,097.60	\$1,444,910.49	\$14,720.00	\$573,452.79	\$11,292,288.57	\$1,320,725.75	\$0.00
RNC	\$19,014,100.05	\$1,406,689.11	\$14,720.00	\$40,500.00	\$16,981,960.00	\$570,230.94	\$0.00
EE Products	\$16,812,875.60	\$1,668,636.10	\$14,720.00	\$0.00	\$13,851,035.53	\$1,278,483.97	\$0.00
HPWES	\$38,075,177.14	\$1,198,655.29	\$14,720.00	\$47,250.00	\$34,672,618.47	\$2,141,933.38	\$0.00
Marketing - Res EE	\$1,004,491.71	\$0.00	\$1,004,491.71	\$0.00	\$0.00	\$0.00	\$0.00
<b>Res Low Income</b>	<b>\$30,000,000.00</b>	<b>\$2,001,695.87</b>	<b>\$811,566.43</b>	<b>\$345,549.97</b>	<b>\$25,286,683.42</b>	<b>\$1,554,504.31</b>	<b>\$0.00</b>
Comfort Partners	\$30,000,000.00	\$2,001,695.87	\$811,566.43	\$345,549.97	\$25,286,683.42	\$1,554,504.31	\$0.00
<b>C&amp;I EE Programs</b>	<b>\$162,388,795.49</b>	<b>\$3,779,511.44</b>	<b>\$1,001,015.45</b>	<b>\$739,904.94</b>	<b>\$152,706,611.31</b>	<b>\$4,161,672.35</b>	<b>\$0.00</b>
C&I NC	\$2,991,066.07	\$457,566.38	\$14,720.00	\$167,094.75	\$2,251,840.24	\$99,844.70	\$0.00
C&I EB	\$54,236,607.89	\$904,839.42	\$14,720.00	\$178,368.28	\$50,425,411.72	\$2,713,268.47	\$0.00
P4P NC	\$18,145,153.74	\$397,507.15	\$14,720.00	\$169,143.37	\$17,440,375.82	\$123,407.40	\$0.00
P4P EB	\$34,554,837.78	\$683,999.58	\$14,720.00	\$212,878.54	\$33,259,239.66	\$384,000.00	\$0.00
LGEA	\$3,320,098.84	\$380,396.28	\$14,720.00	\$0.00	\$2,508,012.50	\$416,970.06	\$0.00
DI	\$30,459,314.06	\$562,514.33	\$14,720.00	\$12,500.00	\$29,618,079.73	\$251,500.00	\$0.00
Marketing - C&I EE	\$897,975.45	\$0.00	\$897,975.45	\$0.00	\$0.00	\$0.00	\$0.00
LEUP	\$17,783,741.66	\$392,688.30	\$14,720.00	\$0.00	\$17,203,651.64	\$172,681.72	\$0.00
<b>State Facilities Initiative</b>	<b>\$7,500,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7,500,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
State Facilities Initiative	\$7,500,000.00	\$0.00	\$0.00	\$0.00	\$7,500,000.00	\$0.00	\$0.00
<b>CHP - Fuel Cells</b>	<b>\$39,644,633.17</b>	<b>\$147,732.52</b>	<b>\$14,720.00</b>	<b>\$0.00</b>	<b>\$39,371,180.19</b>	<b>\$111,000.46</b>	<b>\$0.00</b>
CHP - Fuel Cell Lg/Sm	\$39,644,633.17	\$147,732.52	\$14,720.00	\$0.00	\$39,371,180.19	\$111,000.46	\$0.00
<b>RE Programs</b>	<b>\$12,988,934.04</b>	<b>\$1,376,206.92</b>	<b>\$14,720.00</b>	<b>\$0.00</b>	<b>\$8,001,377.95</b>	<b>\$3,045,556.68</b>	<b>\$450,433.41</b>
Offshore Wind	\$450,433.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$450,433.41
REIP	\$12,487,861.55	\$1,376,206.92	\$14,720.00	\$0.00	\$8,051,377.95	\$3,045,556.68	\$0.00
<b>EDA Programs</b>	<b>\$12,371,784.57</b>	<b>\$79,456.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$12,136,616.71</b>	<b>\$0.00</b>	<b>\$0.00</b>
CEMF	\$6,079,560.26	\$79,456.00	\$0.00	\$0.00	\$6,000,104.26	\$0.00	\$0.00
GGF	\$2,268,544.45	\$79,456.00	\$0.00	\$0.00	\$2,189,088.45	\$0.00	\$0.00
LSCHP/FC	\$4,023,680.00	\$79,456.00	\$0.00	\$0.00	\$3,944,224.00	\$0.00	\$0.00
<b>NIGM Administration</b>	<b>\$3,720,985.51</b>	<b>\$2,811,446.51</b>	<b>\$377,299.00</b>	<b>\$0.00</b>	<b>\$509,750.00</b>	<b>\$0.00</b>	<b>\$22,500.00</b>
<b>OCE Admin/OH</b>	<b>\$3,720,985.51</b>	<b>\$2,811,446.51</b>	<b>\$377,299.00</b>	<b>\$0.00</b>	<b>\$509,750.00</b>	<b>\$0.00</b>	<b>\$22,500.00</b>
OCE Staff/OH	\$2,400,000.00	\$2,400,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PC	\$1,320,995.51	\$411,446.51	\$377,299.00	\$0.00	\$509,750.00	\$0.00	\$22,500.00
<b>Memberships-Dues</b>	<b>\$10,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$10,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Sponsorships	\$10,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$0.00
<b>OCE Eval/Research</b>	<b>\$3,740,890.12</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,740,890.12</b>
Rutgers-CEEP	\$1,752,478.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,752,478.12
Program Evaluation	\$1,988,412.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,988,412.00
<b>Miscellaneous</b>	<b>\$4,799,551.97</b>	<b>\$3,030,976.79</b>	<b>\$466,643.14</b>	<b>\$0.00</b>	<b>\$1,301,932.04</b>	<b>\$0.00</b>	<b>\$0.00</b>
CE Business Website	\$92,488.14	\$0.00	\$92,488.14	\$0.00	\$0.00	\$0.00	\$0.00
Rutgers LESS	\$150,000.00	\$0.00	\$0.00	\$0.00	\$150,000.00	\$0.00	\$0.00
NJIT CE Learning Center	\$375,000.00	\$0.00	\$0.00	\$0.00	\$375,000.00	\$0.00	\$0.00
Sustainable Jersey	\$776,932.04	\$0.00	\$0.00	\$0.00	\$776,932.04	\$0.00	\$0.00
New Marketing Contract	\$374,155.00	\$0.00	\$374,155.00	\$0.00	\$0.00	\$0.00	\$0.00
Program Transition	\$3,030,976.79	\$3,030,976.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TRUE Grant</b>	<b>\$6,291,331.26</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,291,331.26</b>	<b>\$0.00</b>	<b>\$0.00</b>
TRUE Grant	\$6,291,331.26	\$0.00	\$0.00	\$0.00	\$6,291,331.26	\$0.00	\$0.00

## **SUMMARY OF COMMENTS FROM PUBLIC STAKEHOLDERS AND OCE STAFF RESPONSES**

In response to OCE's Staff's solicitation for public comments on the Proposed Changes to the Budget, only the Division of Rate Counsel ("Rate Counsel") submitted written comments. Rate Counsel commented that it does not oppose the Proposed Budget Revisions.

### **OCE STAFF RECOMMENDATIONS**

As described above, OCE Staff has considered the written comments and committee discussions regarding the Proposed Budget Revisions.

It is clear that the transition of NJCEP to a new Program Administrator requires the realignment of the budgets to reflect the new pricing structures related to that transition.

As to the other proposed revisions, OCE Staff has attempted over the last several years to better align program budgets with realistic projections of the level of funds that can be expended or committed in a fiscal year. OCE Staff has encouraged the practice of transferring funds from programs that are under budget due to lower than anticipated participation levels to programs with higher than anticipated participation levels. This practice minimizes the potential for funds to remain unspent or uncommitted at the end of the fiscal year.

The Proposed Budget Revisions are projected to cover anticipated expenses for the remainder of FY16 without negatively impacting the programs from which funds are being transferred. Based on the above, OCE Staff believes the Proposed Budget Revisions are reasonable and appropriate and recommends their approval.

### **DISCUSSION AND FINDINGS**

Consistent with the Board's contract with its Program Administrator, OCE Staff has coordinated with the Program Administrator regarding the Proposed Budget Revisions. Further, OCE Staff, in conjunction with the Program Administrator, has discussed the Proposed Budget Revisions at public meetings of the EE and RE committees to receive comments and input. Finally, the Proposed Budget Revisions were circulated to the EE and RE committee listservs and posted on the NJCEP web site, and written comments were accepted from the public. Accordingly, the Board **HEREBY FINDS** that the process utilized in developing the Proposed Budget Revisions was appropriate and provided stakeholders and interested members of the public adequate notice and the opportunity to comment on them.

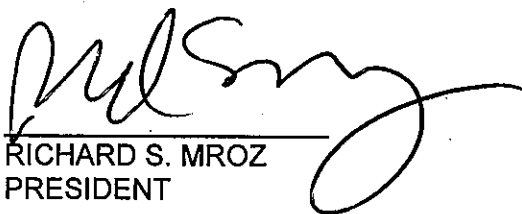
The Board has reviewed the Proposed Budget Revisions and OCE Staff's recommendations regarding same, and **HEREBY FINDS** that the Proposed Budget Revisions will benefit customers, are consistent with the EMP goal of reducing energy usage and associated emissions, and support the Board's objective of fully expending the NJCEP program budget. Therefore, the Board **HEREBY APPROVES** the Proposed Budget Revisions.



The effective date of this Order is July 9, 2016.

DATED: 6/29/16

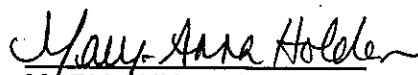
BOARD OF PUBLIC UTILITIES  
BY:



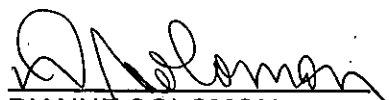
RICHARD S. MROZ  
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JOSEPH L. FIORDALISO  
COMMISSIONER



MARY-ANNA HOLDEN  
COMMISSIONER

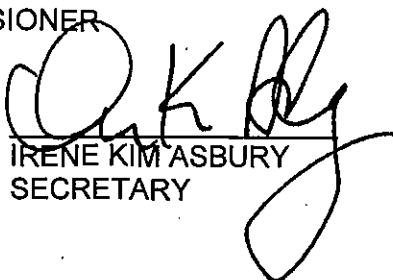


DIANNE SOLOMON  
COMMISSIONER



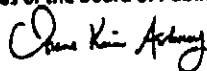
UPENDRA J. CHIVUKULA  
COMMISSIONER

ATTEST:



IRENE KIM ASBURY  
SECRETARY

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



IN THE MATTER OF THE CLEAN ENERGY PROGRAMS AND BUDGET FOR FISCAL YEAR  
2016 (FY16) - FY16 FOURTH REVISED BUDGET

DOCKET NO. QO150040477

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