



Agenda Date: 4/6/22
Agenda Item: 8A

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/

CLEAN ENERGY

IN THE MATTER OF THE FISCAL YEAR 2022 BUDGET)
MODIFICATION FOR RUTGERS CENTER FOR GREEN) ORDER
BUILDING) DOCKET NO. QO22020047

Parties of Record:

Brian O. Lipman, Director, New Jersey Division of Rate Counsel
Jennifer Senick, PhD, Executive Director, Rutgers Center for Green Building

BY THE BOARD:

This Order memorializes action taken by the New Jersey Board of Public Utilities (“Board” or “BPU”) at its March 23, 2022 public meeting, where the Board considered the budget modification to the Fiscal Year 2022 budget (“FY22 Budget”) for the “Division of Clean Energy Program: Clean Energy Evaluation and Market Assessment,” which is a contract with Rutgers University’s Edward J. Bloustein School of Planning and Public Policy: Center for Green Building (“RCGB”).

BACKGROUND & PROCEDURAL HISTORY

On May 23, 2018, Governor Murphy signed into law the Clean Energy Act of 2018 (“CEA”).¹ The CEA plays a key role in achieving the State’s goal of 100% clean energy by 2050 by establishing aggressive energy reduction requirements, among other clean energy strategies. The CEA emphasizes the importance of energy efficiency (“EE”) and peak demand reduction (“PDR”). The CEA also requires the Board to adopt an EE program “to ensure investment in cost-effective energy efficiency measures, ensure universal access to energy efficiency measures, and serve the needs of low-income communities.”² EE is also one of the seven (7) key strategies identified in New Jersey’s 2019 Energy Master Plan (“EMP”) and will play an essential role in meeting the State’s long-term clean energy goals, including by strengthening building and energy codes and appliance standards, along with other key strategies and goals, such as reducing energy consumption and emissions from the building sector.³

¹ L. 2018, c. 17 (N.J.S.A. 48:3-87.8 et al.).

² N.J.S.A. 48:3-87(g).

³ 2019 New Jersey Energy Master Plan: Pathway to 2050, available at www.bpu.state.nj.us/bpu/pdf/publicnotice/NJBPU_EMP.pdf.

On June 10, 2020, the Board approved an EE transition framework for implementation of EE and PDR programs in New Jersey, including requirements for the electric and natural gas public utilities (“Utilities”) to establish programs that reduce the use of electricity and natural gas within their respective territories.⁴ As part of this framework, the Board allocated administration of EE and PDR programs between the Utilities and the State.⁵ The Board also established overall annual Utility territory-specific energy use reduction targets and State targets, with State targets in each Utility territory representing the energy use reductions that programs administered or sponsored by the State are to achieve.⁶

On September 22, 2017, the Board authorized the President to execute a Contract for Research and Evaluation Services, dated December 8, 2017, between the Board and RCGB (“Contract”) for services RCGB was to perform during the period November 1, 2017 through October 31, 2018 (“Services”) with a budget of \$580,000. This Contract provides staffing, expertise, and resources necessary to perform programmatic evaluations and cost-benefit analysis of New Jersey’s Clean Energy Program (“NJCEP”) to ensure effective design and provides Board Staff (“Staff”) with technical assistance on a range of EE and renewable energy (“RE”) issues. The original Contract term has been extended through various Contract amendments.

Most recently, on December 17, 2021, the Board approved the seventh amendment to the Contract (“Amendment #7”), which was a no-cost contract extension to extend Contract Year 4’s end date from December 31, 2021 to June 30, 2022 so as to align with the end of the State’s current Fiscal Year 2022 (“FY22”).

Given the Contract extension granted in Amendment #7, and given continued adjustments to Services performed in support of the EM&V WG, as set forth in a letter from RCGB, dated February 22, 2022 ([Attachment 1](#)), this proposed modification to Amendment #7 (“FY22 Budget Modification” or “Amendment #8”) entails a budget modification in the form of funds shifting across budget categories. The total budget for Contract Year 4 remains unchanged.

The change in Services under the FY22 Budget Modification will provide necessary support to the Board with respect to the Board’s conducting needed market assessments and evaluation. This modification specifically includes RCGB’s Energy Efficiency Partnership Agreement with Northeast Energy Efficiency Partnerships (“NEEP”), which includes analysis of Public Policy Leadership and Best Practices, Building Energy Codes and Appliance Standards, Community Pathways and Resources, Heating Electrification Market Transformation, and Smart Energy Homes and Buildings. The FY22 Budget Modification further supports expanded work scopes with existing subcontractors DNV and NMR Group, Inc., a Residential Appliance Saturation Study, completion of the Solar Market Potential and Building Benchmarking studies by RCGB, and purchases of needed supplies (industry data and reports) and software licenses.

BUDGET TABLE:

The following table shows the relevant portions of the current Board-approved budget, the proposed FY22 Budget Modification, and the resultant budget:

⁴ In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040 (Order dated June 10, 2020) (“June 10, 2020 Order”).

⁵ Id. at 10–11, 14–15.

⁶ Id. at 18–22.

Budget Modification Request
SNJ- Board of Public Utilities-Clean Energy Evaluation & Market Assessment
PI's Clinton Andrews and Jennifer Senick

Account Description	Budget	Modification Request	Final Budget
Personnel Costs	1,715,683	-	1,715,683
Fringe Benefits	502,292	25,000	527,292
Consultants and Subcontractors	2,253,899	(80,900)	2,172,999
Other Costs			
Project Supplies	8,500	6,000	14,500
Software	20,000	20,000	40,000
Travel	21,154	-	21,154
Conference/Meeting	1,000	-	1,000
Consulting Fees	2,000	-	2,000
Tuition	53,575	16,800	70,375
Total Direct Costs	4,578,103		4,565,003
Indirect Costs	248,842	13,100	261,942
TOTAL PROJECT AMOUNT	\$ 4,826,945	-	\$ 4,826,945

STAFF RECOMMENDATIONS

Consistent with the Board's contracts with its program administrators, Staff has coordinated with RCGB regarding the proposed FY22 Budget Modification. The FY22 Budget Modification includes the reallocation and detailed budgets presented herein.

Having reviewed the request letter (Attachment 1) and the proposed Budget Modification, Staff recommends that the Board adopt and approve the proposed FY22 Budget Modification.

DISCUSSION AND FINDINGS

The Board **FINDS** that the processes utilized in developing this proposed revision were appropriate.

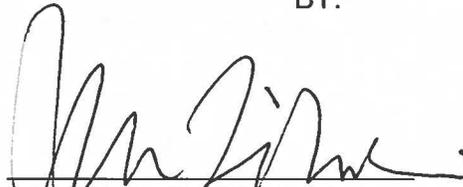
The Board has reviewed Staff's recommendations on the FY22 Budget Modification. The Board **FINDS** that the Budget Modification will benefit customers and is consistent with the goals of reducing energy usage and associated emissions. Therefore, the Board **HEREBY APPROVES** the FY22 Budget Modification.

The Board **HEREBY DIRECTS** Staff, in coordination with RCGB, to take the necessary steps to implement the changes ordered herein, including, without limitation, the provision of adequate notice of such changes.

This Order shall be effective on April 13, 2022.

DATED: April 6, 2022

BOARD OF PUBLIC UTILITIES
BY:



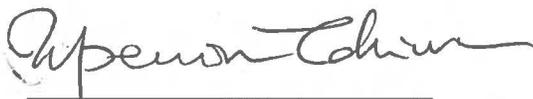
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PRESIDENT



MARY ANNA HOLDEN
COMMISSIONER



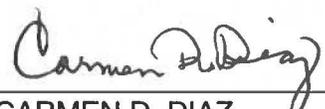
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ROBERT M. GORDON
COMMISSIONER

ATTEST: 

CARMEN D. DIAZ
ACTING SECRETARY

IN THE MATTER OF THE FISCAL YEAR 2022 BUDGET MODIFICATION FOR RUTGERS
CENTER FOR GREEN BUILDING

DOCKET NO. QO22020047

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Attachment 1

RUTGERS

Edward J. Bloustein School
of Planning and Public Policy

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<http://greenbuilding.rutgers.edu>

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February 22, 2022

Dr. Phil Chao
NJ Board of Public Utilities
PO Box 350
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**Re: Clean Energy Evaluation/Market Assessment – NJCEP
Rutgers Account #831092 (SFY2018-SFY2022, Amendment 7)**

Dear Phil:

The Rutgers Center for Green Building (RCGB) is requesting a budget modification for the above stated contract reflecting activities through June 30, 2022. As depicted in the attached budget details, this request does not change the total amount of the original budget. Rather, funds are transferred between lines as needed to complete the requested scope of work.

The objective of this budget modification is to provide the necessary support to the NJ BPU in conducting additional evaluation and market assessments being performed both by Rutgers (in-house) and through subcontractors. Specifically, this modification directly incorporates an Energy Efficiency Partnership Agreement with NEEP, expanded work scopes with existing subcontractor DNV, a Residential Appliance Saturation Study, Solar Technical and Market Potential and Building Benchmarking studies underway by Rutgers Center for Green Building, and purchases of needed supplies (industry data and reports) and software licenses.

If you have any questions regarding this budget modification request, or need any additional information, please do not hesitate to contact me by phone at 848-932-2904 or by email at jsenick@rutgers.edu

Thank you,



Jennifer Senick, PhD
Executive Director, Rutgers Center for Green Building
Edward J. Bloustein School of Planning and Public Policy
Rutgers, The State University