



Agenda Date: 5/18/22
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 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 CLEAN FLEET ELECTRIC VEHICLE INCENTIVE PROGRAM)	DOCKET NO. QO21101203
IN THE MATTER OF THE FISCAL YEAR 2022 ELECTRIC VEHICLE TOURISM INCENTIVE PROGRAM)	DOCKET NO. QO21070999
)	
)	DOCKET NO. QO21081070

Party of Record:

Brian O. Lipman, Esq., Director, 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 Clean Fleet EV Charger Incentive (“Clean Fleet”) Program to the Multi-Unit Dwelling (“MUD”) Program and to the Electric Vehicle Tourism Incentive (“EV Tourism”) Program. Increasing funding to both the MUD Program and the EV Tourism Incentive Program will encourage electric vehicle (“EV”) charging stations at MUDs and EV Tourism locations.

BACKGROUND AND PROCEDURAL HISTORY

On January 17, 2020, Governor Murphy signed S-2252 into law, constituting the EV Act.¹ The EV Act, in relevant part, creates an incentive program for light dutyEVs and at-home EV charging infrastructure.² The EV Act established the State’s goals for the use of plug-in EVs and the

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.

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
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 purposes 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 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.

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") utilized to charge an electric vehicle from the grid. See N.J.S.A. 48:25-2 for further detail regarding what constitutes L2 EVSE.

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, see 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.

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").

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 27, 2022, the EV Tourism Program Round Two application opened, and Staff released a new application and a resource document to address many of the frequently asked questions. Staff anticipates a similar response with many more eligible applications during Round Two.

In addition to these programs, the Board opened the Clean Fleet Program for FY22, aimed at encouraging local (municipal and county) and State government entities to convert their fleets to EV fleets.¹² That program was allocated a total of \$7 million of the \$14 million appropriated by the Legislature, with \$6 million allocated to the State program and \$1 million allocated to the local program. Due to logistical and budgetary reasons, the Clean Fleet Program has not generated sufficient interest to utilize all of the existing, remaining funding for FY22.

Accordingly, Staff proposes to reallocate funding from the Clean Fleet Program, as well as allocate any other funding remaining from the \$14 million appropriated by the Legislature, to both the EV Tourism and MUD Programs.

STAFF RECOMMENDATION

Of the \$14 million appropriated by the Legislature, Staff proposes utilizing the remaining \$2 million of such funds and reallocating a total of \$6 million from the Clean Fleet Program. Specifically, of the original \$6 million allocated to the state Clean Fleet Program, Staff proposes reallocating \$4.5 million to the EV Tourism Program and reallocating \$1.5 million to the MUD Program. Staff likewise proposes utilizing the \$2 million of the original, remaining funds so that they are allocated in their entirety to the MUD Program. With this total infusion of \$8 million (\$6 million from the state Clean Fleet Program and \$2 million from remaining funds), the EV Tourism Program would have a total budget of \$8.5 million, and the MUD Program would have a total budget of \$4.5 million, as the following table illustrates:

Program	Amount allocated by Board	Staff Recommended Authorizations	Allocation of Remaining Funds	Total Funding
EV Tourism	\$4,000,000	\$4,500,000		\$8,500,000
Clean Fleet – local	\$1,000,000			\$1,000,000
Clean Fleet – State	\$6,000,000	(\$6,000,000)		\$0
MUD	\$1,000,000	\$1,500,000	\$2,000,000	\$4,500,000
Remaining Funds	\$2,000,000		(\$2,000,000)	\$0
Total	\$14,000,000	\$0		\$14,000,000

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

Staff proposes the following eligibility criteria for the Programs:

Eligible Entities

To be eligible for the Programs, applicants must conform with the eligibility requirements as outlined in the FY22 MUD EV Order and the FY22 EV Tourism Order, as applicable.

Eligible EV Charging Stations

To be eligible for the Programs, charging stations must conform with the eligibility requirements as outlined in the FY22 MUD EV Order and the FY22 EV Tourism Order, as applicable.

Proposed Incentives

The incentive levels must conform with the requirements as outlined in the FY22 MUD EV Order and the FY22 EV Tourism Order, as applicable.

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.

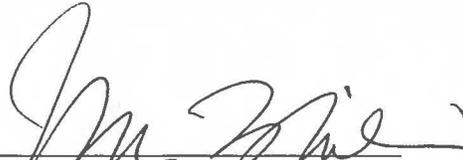
The Legislature's allocation of funds devoted to EV infrastructure is an indication of the importance of investment in EV infrastructure to achieve New Jersey's transportation electrification goals, as defined in the EV Act. Based upon the effectiveness of the EV Tourism and MUD Programs, this reallocation will move the State closer to reaching its EV goals.

The Board **HEREBY FINDS** that the reallocation of funding is reasonable and in the best interest of the State. Based upon the foregoing recommendations of Staff, the Board **HEREBY APPROVES** the reallocation of funding as proposed by Staff. The Board **HEREBY AUTHORIZES** Staff to review the Programs' applications and disburse funding from the Programs' budget in accordance with 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 May 25, 2022.

DATED: May 18, 2022

BOARD OF PUBLIC UTILITIES
BY:



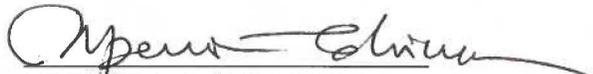
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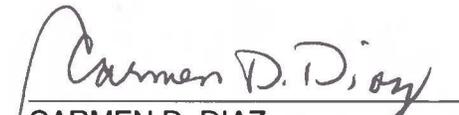
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ACTING SECRETARY

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