



STATE OF NEW JERSEY
Board of Public Utilities
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Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF THE ESTABLISHMENT OF THE)
RESIDENTIAL UNIVERSAL BILL CREDIT ("RUBC"))
ORDER)
DOCKET NO. QO25070389)

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Kenneth Wan, Esq., Assistant General Counsel, Atlantic City Electric Company
Tori Giesler, Esq., Managing Counsel, Jersey Central Power & Light Company
Stacy M. Mickles, Esq., Public Service Electric and Gas Company
Margaret Comes, Esq., Associate Counsel, Rockland Electric Company

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers Board Staff's recommendation to establish the Residential Universal Bill Credit ("RUBC") to provide residential customers of New Jersey's electric distribution companies ("EDCs")¹ with two (2) \$50 bill credits using a total of approximately \$385 million in available funds from the Solar Alternative Compliance Payment account and the Board's allocation of Regional Greenhouse Gas Initiative auction proceeds.

BACKGROUND & PROCEDURAL HISTORY

Increases in Electricity Rates

On February 12, 2025, the Board certified the results of the Basic Generation Service ("BGS") Auctions for the State's four (4) EDCs to satisfy supply requirements for the EDCs' BGS customers for the period June 1, 2025, through May 31, 2026.² The Board's authority over the auctions is limited to certifying the results as consistent with market conditions and does not extend to influence pricing. Based upon the certified results, the projected average monthly customer bill increases, beginning June 1, 2025, range from 17.23% to 20.20%, depending on the EDC service territory the customer resides in. These price

¹ The four (4) investor-owned electric distribution companies ("EDCs") are Public Service Electric and Gas Company ("PSE&G"), Atlantic City Electric Company ("ACE"), Jersey Central Power & Light Company ("JCP&L"), and Rockland Electric Company ("RECO").

² In re the Provision of Basic Generation Service (BGS) For the Period Beginning June 1, 2025, BPU Docket No. ER24030191, Order dated February 12, 2025.

increases largely stem from the July 2024 PJM Base Residual Auction (“BRA”). Since the BGS Auctions were certified, concerns have grown due to ongoing inquiries and challenges to the BRA results.

The timing of the cost increases at the beginning of the summer coincides with the hottest period of the year. As noted in the State’s Extreme Heat Resilience Action Plan, extreme heat has significant public health impacts and New Jersey is warming more quickly than the rest of the Northeast region, with increasingly frequent period of extreme heat during our summers and fifteen (15) of the twenty (20) warmest years on record having occurred in the period since 2000.³ Access to air conditioning, and the electricity needed to run it, is a critical part of avoiding heat-related fatalities and negative health outcomes.⁴

The Board has undertaken a number of actions to help customers manage these cost increases and make utility services affordable for more New Jersey residents.

On April 23, 2025, the Board ordered the EDCs to submit distribution-side proposals to reduce the impact of the rate increases on residential ratepayers,⁵ and on June 18, 2025, the Board approved stipulations with all four EDCs.⁶ The stipulations provided for (2) two \$30 bill reductions during the high usage months of July and August, which would be recovered without interest from September through February, as well as a suspension of shut-offs and waiver of reconnection fees.⁷

Also on June 18, 2025, the Board approved an increase in the benefits provided by the Universal Service Fund (“USF”) program, which provides energy assistance to low income residential customers,⁸ and approved Residential Energy Assistance Payment (“REAP”) bill credits in the amount of \$25 per month for the seven month period of August 2025 through February 2026 for residential energy customers eligible for the Winter Termination Program.⁹

³ 2024 New Jersey Extreme Heat Resilience Action Plan at 6-7, 11-12, available at https://dep.nj.gov/wp-content/uploads/climatechange/extreme_heat_rap_071924-screen-version.pdf.

⁴ Id. at 29-31.

⁵ In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210, Order dated April 23, 2025 (“Rate Impact Order”).

⁶ In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210 & In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025 – Jersey Central Power & Light Company, BPU Docket No. ER25050278, Order Dated June 18, 2025; In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210 & In re the Proposal of Rockland Electric Company to Mitigate Electric Rate Impacts, BPU Docket No. ER25050280, Order Dated June 18, 2025; In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210 & In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025 - Atlantic City Electric Company, BPU Docket No. ER25050281, Order Dated June 18, 2025; In re the New Jersey Board Of Public Utilities’ Consideration Of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210 & In re the Petition of Public Service Electric and Gas Company Presenting Alternative Temporary Supply Offset Clause (“TSOC”) Scenarios, BPU Docket No. ER25050282, Order Dated June 18, 2025 (collectively, “EDC Rate Increase Mitigation Orders”).

⁷ Ibid.

⁸ In re a Rate Design and Policy Study Regarding Driving Equity in the Clean Energy Transition, BPU Docket No. QO24110853, Order dated June 18, 2025.

⁹ In re Disbursement of Clean Energy Program Funds for the Residential Energy Assistance Payment, BPU Docket No. QO24020120, Order dated June 18, 2025 (“REAP Order”). The Winter Termination Program provides protection from disconnection of utility service for eligible residential customers, including recipients of state and federal assistance programs and those who are unable to pay utilities bills due to financial hardship. See N.J.A.C. 14:3-3A.5. The Board used a categorical eligibility approach for REAP to eliminate barriers to participation and

On June 5, 2025, Governor Murphy announced the Administration's intention to provide direct energy bill relief to ratepayers of all income levels across New Jersey, funded by the Solar Alternative Compliance Payment account and the Board's allocation of Regional Greenhouse Gas Initiative ("RGGI") auction proceeds, in response to substantial increases in customer electric bills driven by record high wholesale electric prices.¹⁰

Solar Alternative Compliance Payment ("SACP")

The Electric Discount and Energy Competition Act ("EDECA"), N.J.S.A. 48:3-49, et seq., and the Clean Energy Act ("CEA"), N.J.S.A. 48:3-87, et seq., establish a requirement as part of the State's renewable portfolio standard ("RPS") that each electric power supplier and basic generation service ("BGS") provider in the state obtain a certain percentage of its power from the solar facilities developed under the Solar Renewable Energy Credit ("SREC") program, which was open from 2012 to 2020.

As a way to cap costs, EDECA and the CEA established the SACP as an alternative means by which the suppliers and BGS providers could comply with the SREC requirement. The statute provides that "[t]he board shall determine an appropriate level of solar alternative compliance payment, and permit each supplier or provider to submit an SACP to comply with" the solar purchase requirements that are part of the renewable portfolio standard.¹¹ The statute further provides that "[a]ny SACP payments collected shall be refunded directly to the ratepayers by the electric public utilities."¹²

As of July 31, 2025, the Board had \$263,053,957.63 in SACP funds available, with approximately \$252.3 million of that amount received in the past four years.

Regional Greenhouse Gas Initiative

The Regional Greenhouse Gas Initiative ("RGGI") is a cooperative, market-based program of states in the Northeast region designed to cap and reduce carbon dioxide ("CO₂") emissions from fossil fuel power plants.¹³ RGGI operates by setting a capped amount of CO₂ allowances, which power plants must then purchase in quarterly auctions. The revenue generated from these auctions is then allocated to the member states to use to fund programs that benefit consumers, improve energy efficiency, and accelerate the deployment of renewable energy technologies.¹⁴ Across the member states, approximately fifteen percent (15%) of the proceeds of RGGI auctions cumulatively have been spent on direct bill assistance programs for customers.¹⁵ Other states that have used RGGI funds for direct bill assistance include Maine, Maryland, New Hampshire, and Rhode Island.¹⁶

facilitate the timely distribution of bill credits. REAP Order at 3.

¹⁰ Governor Murphy, Senate President Scutari, and Assembly Speaker Coughlin Announce Direct Economic Relief to Lower Monthly Energy Costs for New Jerseyans, <https://nj.gov/governor/news/news/562025/approved/20250605a.shtml>.

¹¹ N.J.S.A. 48:3-87(j).

¹² *Ibid.*

¹³ The Regional Greenhouse Gas Initiative, <https://www.rggi.org/>.

¹⁴ *Ibid.*

¹⁵ *The Investment of RGGI Proceeds in 2023*, July 2025, at 3, available at https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2023.pdf.

¹⁶ *Id.* at 24, 27, 34, 43.

The Global Warming Response Act ("GWRA"), P.L. 2007 c. 340 (N.J.S.A. 26:2C-45 to -57), enabled the State of New Jersey ("State") to participate in RGGI, created the Global Warming Solutions Fund to receive New Jersey's proceeds from RGGI auctions, and established specific allocations and programmatic areas of focus for use of RGGI proceeds. The GWRA further directed the New Jersey Department of Environmental Protection ("DEP"), the New Jersey Economic Development Authority ("EDA"), and the Board to collaborate in the development of guidelines and a priority ranking system for the use of funds and in the administration of programs.

N.J.S.A. 26:2C-51(b)(2) provides that twenty percent (20%) of the RGGI proceeds received by the State shall be allocated to the Board "to support programs that are designed to reduce electricity demand or costs to electricity customers in the low-income and moderate-income residential sector with a focus on urban areas." As of July 31, 2025, the Board had \$123,205,747.39 of 2023-2025 RGGI funds unspent and uncommitted.

On August 7, 2025, the President of the Board, the Commissioner of the DEP, and the Chief Executive Officer of the EDA executed a letter ("RGGI Letter"), attached hereto as Exhibit 2, documenting the agreement of the three agencies that BPU's use of RGGI funds for the purpose of providing electricity bill credits to low and moderate income ("LMI") residential customers is aligned with the direction in the GWRA that the Board allocate funds to programs designed to reduce costs to low and moderate income residential customers.¹⁷ The agencies further concurred that such use of funds would advance the priorities identified in the GWRA, which include reducing costs to electricity consumers and helping to alleviate negative health impacts of climate change.¹⁸

STAFF RECOMMENDATIONS

Staff recognizes the significant burden that is placed on all New Jersey residents by the 17% to 20% increase in electricity rates that took effect on June 1, 2025. These impacts will be mitigated to an extent by the (2) two \$30 bill credits that the EDCs are applying to residential customer bills in July and August, as well as by the \$25 per month REAP credits that will be applied to the bills of customers eligible for the Winter Termination Program from August 2025 through February 2026. However, Staff recognizes that August and September are also typically higher usage months due to generally higher temperatures and the potential for periods of extreme heat. In fact, NJ.com reported that since June, New Jersey has experienced four (4) heat waves, with three (3) or more consecutive days of temperatures soaring to 90 degrees or hotter and several consecutive days of scorching 100 degree temperatures.¹⁹ As a result, Staff recommends that the Board use available RGGI proceeds and SACP funds to provide credits to residential EDC customers on September and October bills to help customers manage their skyrocketing electric bills.

Specifically, Staff recommends that the Board create the RUBC to provide two (2) \$50 credits ("RUBC payments") to each residential EDC customer, with one (1) credit applied in September 2025 and one (1) in October 2025. Staff recommends that the Board allocate all available SACP moneys (totaling approximately \$263 million), a sufficient amount of the Board's unspent RGGI auction proceeds for this purpose, (totaling approximately \$123 million), for a total of approximately \$385 million, for the RUBC payments. Staff further recommends that, in order to facilitate the distribution of funds, the Board direct each EDC to inform Staff of the number of eligible accounts it serves and direct Staff to use the

¹⁷ "Use of RGGI Proceeds by BPU for Residential Electricity Bill Credits," Letter dated August 7, 2025, Exhibit 2.

¹⁸ Ibid.

¹⁹ Len Melisurgo, N.J. Weather: New Heat Wave is Looming. And We've Already Had Many 90° Days, <https://www.nj.com/weather/2025/07/nj-weather-new-heat-wave-is-looming-and-weve-already-had-many-90-days.html>.

information provided by the EDCs to distribute to each EDC the amount of funding needed to provide two credits of \$50 to each eligible residential account.

In order to make it administratively feasible to provide bill assistance to all residential EDC customers during the higher usage months when electricity bills are highest and the dangers of extreme heat are the greatest, Staff recommends that the Board and the EDCs treat the RGGI and SACP funds as a single combined funding source for the RUBC, and that the RUBC payments be provided to both LMI and non-LMI customers.

DISCUSSION AND FINDINGS

The Board remains concerned, as expressed in its April 23, 2025 Rate Impact Order, about the total bill impacts of the electricity rate increases that took effect on June 1, 2025. The Board is particularly concerned about the impact of these price increases on residential customers, who rely on the electricity provided by the EDCs for everyday necessities including light, power, and cooling in hot weather. The Board therefore finds that it is in the public interest to use available sources of funding to establish the RUBC and provide bill credits to all residential electric customers in the high usage months immediately following the months in which customers receive the \$30 credits approved by the Board on June 18, 2025. The Board therefore **ORDERS** that all residential households with an existing electric account with one (1) of the four (4) EDCs shall be eligible for the RUBC payments, and that the RUBC shall be applied so that each eligible customer receives one (1) credit of \$50 in September 2025 and one (1) credit of \$50 in October 2025. The Board **DIRECTS** Staff to take all necessary steps to implement the RUBC accordingly.

With respect to use of SACP funds for the RUBC, the Board had \$263,053,957.63 available in the SACP account as of July 31, 2025, and N.J.S.A. 48:3-87(j) directs that SACP funds collected “shall be refunded directly to the ratepayers by the electric public utilities.” Accordingly, the Board finds that it is appropriate to use all available SACP funds to provide direct bill assistance for residential electric customers. In addition, while the Board recognizes that N.J.A.C. 14:8-2.10(g) provides a procedure for allocating SACP funds to the EDCs on an annual basis, the Board finds that it is in the public interest to provide bill credits specifically to residential customers in September and October in light of the significant burden that the recent rate increases place on households during these high usage months and, for maximum efficiency, to do so via a mechanism similar to that which was successfully used to distribute REAP bill credits in 2024. Therefore, the Board **WAIVES** N.J.A.C. 14:8-2.10(g) with respect to the distribution of SACP funds for the RUBC.²⁰

Regarding the use of RGGI funds, N.J.S.A. 26:2C-51(b)(2) allows the Board to allocate RGGI proceeds to “programs that are designed to reduce electricity . . . costs to electricity customers in the low-income and moderate-income residential sector.” As noted above, the Board had \$123,205,747.39 available in unspent, uncommitted 2023 – 2025 RGGI funds as of July 31, 2025. Although the Board, DEP, and EDA had not previously identified direct bill assistance as a planned use of their existing RGGI funds, both DEP and EDA support the reprioritization of the Board’s RGGI funds to provide bill assistance to LMI electric customers. This shift is warranted given the unprecedented need to provide immediate relief from significantly increased electric bills. The three agencies agree that such a program would advance RGGI’s objective to reduce costs for electricity consumers. Accordingly, the Board finds that it is appropriate to use its available RGGI funds to provide direct electricity bill assistance for LMI households.

The Board further finds that combining RGGI funds with SACP funds to provide bill credits via the RUBC to all residential customers of New Jersey’s public electric utilities, as recommended by Staff, will be the most efficient and effective means to provide timely cost relief for all eligible LMI customers.

²⁰ See N.J.A.C. 14:1-1.2(b)(1) (allowing the Board to waive sections of its rules where full compliance would “adversely affect the ratepayers of a utility or other regulated entity, the ability of said utility or other regulated entity to continue to render safe, adequate and proper service, or the interests of the general public”).

Accordingly, the Board **AUTHORIZES** Staff to distribute all available SACP funds and sufficient available RGGI funds to the EDCs to provide RUBC payments to all residential customers as ordered above. The amount of funds distributed to each EDC will be dependent on the number of accounts certified as being eligible.

In order to ensure to the maximum extent practicable that each eligible New Jersey household receives the RUBC payments as described above, and that the same household does not receive duplicate RUBC payments, each EDC is **HEREBY DIRECTED** to employ the following procedures to identify eligible accounts:

1. Identify all residential accounts that are active as of the date of this Order.
2. Remove any duplicate accounts that are registered to the same household address as another active account.

Customers whose accounts are identified by an EDC as eligible for the RUBC who move outside of the territory of that EDC before one or more credits are distributed will not be eligible to receive any remaining credits.

The Board **ORDERS** each of the four EDCs, within fifteen (15) days of the effective date of this Order, to complete and file with the Board a Utility Company Certification ("Certification"), using the form attached hereto as Exhibit 1. In the Certification, the EDC must provide the number of accounts deemed eligible for the RUBC and certify that it determined eligibility using the processes set forth in this Order. Additionally, the Certification form contains a timeline for rollout of bill credits under the RUBC, a requirement that any unused funds be returned to the Board, and a requirement for EDC to comply with reporting requirements contained therein. Upon review and approval of the Certifications submitted by the EDCs, Staff is **DIRECTED** to execute each Certification.

Following approval of the Certifications from all four EDCs, the Board **DIRECTS** Staff to transmit funds to each EDC, with the amount of funding to be transmitted to each EDC calculated by multiplying the number of eligible accounts identified in the EDC's Certification by \$100.

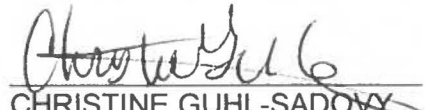
The Board **ORDERS** each EDC to then utilize the distributed funds to apply one (1) credit of \$50 in September and one (1) credit of \$50 in October to each eligible account in accordance with this Order and any additional instructions provided by Staff.

The Board **FURTHER ORDERS** each EDC to report to the Board the total number of accounts credited and the total amount of funds disbursed within forty-five (45) days of the final disbursement. Within ninety (90) days of the final disbursement of funds, each EDC is **FURTHER ORDERED** to return any unused funds to the Board and to certify to the Board the total amount of funds being returned and the number of eligible accounts that were not successfully credited.

The effective date of this Order is August 20, 2025.

DATED: August 13, 2025

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOWY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST: 
SHERRI L. LEWIS
BOARD 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 ESTABLISHMENT OF THE RESIDENTIAL UNIVERSAL BILL CREDIT
("RUBC") PROGRAM

DOCKET NO. QO25070389

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EXHIBIT 1
DOCKET NO. QO25070389
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**Residential Universal Bill Credit
Utility Company Certification**

1. I, NAME, am TITLE, of UTILITY COMPANY. I am making this Certification in furtherance of the Board's August 13, 2025 Order establishing the Residential Universal Bill Credit ("RUBC") with which I am familiar. I am authorized to make this statement on UTILITY COMPANY's behalf.
2. I hereby certify that UTILITY COMPANY utilized the processes set forth in the Board's August 13, 2025 Order to calculate the number of customer accounts eligible for the RUBC.
3. I further certify that the total number of UTILITY COMPANY customer accounts that are eligible for the RUBC is (NUMBER).
4. I further certify UTILITY COMPANY's understanding and agreement that (i) UTILITY COMPANY will only provide bill credits using money from the SACP and RGGI, provided by the New Jersey Board of Public Utilities ("BPU"), specifically committed to the RUBC, and (ii) will apply these credits exclusively to the accounts of residential electric public utility customers in accordance with the instructions set forth in the Board's August 13, 2025 Order.
5. I further certify UTILITY COMPANY's understanding and agreement that all funds received by UTILITY COMPANY from BPU on behalf of each UTILITY COMPANY customer will be applied by UTILITY COMPANY solely for the purpose of reducing an eligible customer's energy burden through a series of two (2) bill credits for the months of September and October 2025.
6. I further certify UTILITY COMPANY's understanding and agreement that all funds received by UTILITY COMPANY from BPU will be applied by UTILITY COMPANY to each identified eligible account as a \$50 bill credit in September 2025 and a \$50 bill credit in October 2025.
7. I further certify UTILITY COMPANY's understanding and agreement that UTILITY COMPANY shall report to BPU the total number of accounts credited and the total amount of funds successfully applied to eligible accounts, as described above, within forty-five (45) days of final fund disbursement.

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8. I further certify UTILITY COMPANY's understanding and agreement that UTILITY COMPANY shall refund to BPU any excess amount of SACP and RGGI monies received that are not successfully applied to eligible accounts as described above within ninety (90) days of final disbursement.
9. I further and finally certify that the foregoing statements made by me herein are true and correct to the best of my knowledge, information, and belief. I am aware that, if any of the foregoing statements made by me herein are willfully false, I am subject to punishment.

UTILITY CERTIFICATION:

Name: _____

Title: _____

Signature: _____

BOARD OF PUBLIC UTILITIES APPROVAL:

Name: _____

Title: _____

Signature: _____

EXHIBIT 2
DOCKET NO. QO25070389



August 7, 2025

Use of RGGI Funds by BPU for Residential Electricity Bill Credits

In response to unprecedented increases in electricity rates in New Jersey and the larger region, the Board of Public Utilities (BPU) has determined that, due to this utility affordability crisis, it is in the best interest of New Jersey ratepayers to use unspent funds allocated to BPU from the proceeds of Regional Greenhouse Gas Initiative (RGGI) auctions to provide electricity bill credits to low and moderate income (LMI) New Jersey residents.

The July 2024 capacity market auction caused a nearly ten-fold increase in capacity supply prices, resulting in electricity price increases for customers of New Jersey's four electric distribution companies (EDCs) of approximately 17-20% on June 1, 2025.¹ To ease the financial burden on customers during peak use summer months, BPU approved stipulations with the EDCs to provide electric residential customers \$30 monthly bill credits in July and August, to be repaid without interest at a rate of \$10 per month from September through February.² However, BPU remains concerned that high electric usage during August and September will result in higher customer bills in September and October. To help alleviate this financial strain on customers, BPU is proposing to use RGGI funds allocated to it to provide additional bill credits to all residential customers in September and October.

The BPU President, the New Jersey Economic Development Authority (EDA) Chief Executive Officer, and the New Jersey Department of Environmental Protection (DEP) Commissioner, along with the staff of the respective agencies, have conferred about options for addressing the current utility affordability crisis, and all three agencies recognize the importance of electricity as a necessity of daily life for New Jersey residents. In particular, the agencies recognize the importance of electricity to provide cooling during periods of extreme heat, particularly for the State's vulnerable populations and for urban residents who face disproportionately high temperatures due to the heat island effect.³

¹ See In re the New Jersey Board of Public Utilities' Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210, Order dated April 23, 2025.

² In re the New Jersey Board of Public Utilities' Consideration of Electric Rate Impacts Beginning June 1, 2025 – Jersey Central Power & Light Company, BPU Docket No. ER25050278, Order Dated June 18, 2025; In re the Proposal of Rockland Electric Company to Mitigate Electric Rate Impacts, BPU Docket No. ER25050280, Order Dated June 18, 2025; In re the New Jersey Board of Public Utilities' Consideration of Electric Rate Impacts Beginning June 1, 2025 - Atlantic City Electric Company, BPU Docket No. ER25050281, Order Dated June 18,

2025; In re the Petition of Public Service Electric and Gas Company Presenting Alternative Temporary Supply Offset Clause (“TSOC”) Scenarios, BPU Docket No. ER25050282, Order Dated June 18, 2025.

³ See 2024 New Jersey Extreme Heat Resilience Action Plan, available at https://dep.nj.gov/wp-content/uploads/climatechange/extreme_heat_rap_071924-screen-version.pdf

All three agencies agree that providing these bill credits would be consistent with the direction in the Global Warming Solutions Fund Act (GWSFA), N.J.S.A. 26:2C-45 to -57, that the twenty percent of RGGI proceeds allocated to BPU may be used to support programs designed to reduce costs for electricity customers in the LMI sectors. It is therefore in the public interest for BPU to use its unallocated RGGI funds for ratepayer relief in response to the urgent need to mitigate soaring electricity costs for vulnerable New Jersey residents.

Furthermore, during the Assembly Budget Committee Hearing on May 14, 2025, at which the BPU President and EDA Chief Executive Officer testified along with other members of the Administration, Committee members asked questions about the upcoming electric rate increases and requested that the agencies consider use of RGGI funds for ratepayer relief.

The BPU is proposing to provide all residential electric customers in New Jersey a \$100 credit, applied as \$50 on their September bills and \$50 on their October bills. To fund these bill credits, BPU plans to combine approximately \$118 million in RGGI funds with \$263 million in funds from the solar alternative compliance payment account.⁴ This approach ensures efficient delivery of relief to both LMI and non-LMI residential customers, recognizing that all New Jersey residents are affected by the rapid rise in electricity prices and immediate assistance is urgently needed during high usage summer months.

BPU's intention to use its RGGI funds in this manner was made public on June 5, 2025, when Governor Murphy, Senate President Nicholas Scutari, and Assembly Speaker Craig Coughlin announced the intention for the Administration to provide bill credits using a combination of RGGI funds and solar alternative compliance payment funds.⁵ The plan for use of RGGI funds were also announced in BPU's June 30, 2025 FY26 Clean Energy Program Budget Order and FY26 CEP Comprehensive Energy Efficiency and Renewable Energy Resource Analysis.⁶

Recognizing the requirement in RGGI program rules that BPU, EDA, and DEP jointly develop and maintain a RGGI Strategic Funding Plan, the BPU President, DEP Commissioner, and EDA Chief Executive Officer execute this letter as an addendum to the 2023-2025 RGGI Strategic Funding Plan in order to document their alignment with BPU's plan to allocate approximately \$118 million of its available RGGI proceeds to reduce costs for LMI residential electricity customers in accordance with the GWSFA.

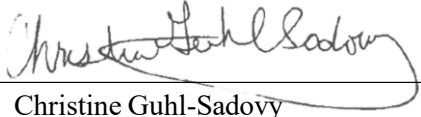
The three agencies agree that this addendum to the Strategic Funding Plan is necessary in response to the recent energy cost crisis identified above. The agencies agree that this initiative by BPU would advance the critical objective of benefiting the State by reducing electricity costs for consumers, and that the BPU would verify the amount of funding provided to customers. The agencies also agree that, by helping households afford to pay their electricity bills and use air conditioning during the hot summer months, the

⁴ See N.J.S.A. 48:3-87(j).

⁵ Governor Murphy, Senate President Scutari, and Assembly Speaker Coughlin Announce Direct Economic Relief to Lower Monthly Energy Costs for New Jerseyans, <https://nj.gov/governor/news/news/562025/approved/20250605a.shtml>.

⁶ In re the Clean Energy Programs and Budget for Fiscal Year 2026, BPU Docket No. QO25040206, Order dated June 30, 2025; In re the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for Fiscal Year 2026 Clean Energy Program, BPU Docket No. QO25040205, Order dated June 30, 2025.

initiative would also advance the objective of helping alleviate negative health impacts associated with climate change.



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Tim Sullivan
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