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BRIAN O. LIPMAN
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April 1, 2026

Via Electronic Mail board.secretary@bpu.nj.gov

Sherri L. Lewis
Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of Clean Energy Programs and Budget for the Fiscal Year
2026 – True-Up, Revised Budgets and Program Changes
BPU Docket No. QO25040206**

Dear Secretary Lewis:

Please accept for filing these comments being submitted on behalf of the New Jersey Division of Rate Counsel in accordance with the Notice issued by the Board of Public Utilities (“Board”) in this matter on March 16, 2026. In accordance with the Notice, these comments are being filed electronically with the Board’s Secretary at board.secretary@bpu.nj.gov.

Please acknowledge receipt of these comments. Thank you for your consideration and attention to this matter.

Respectfully submitted,

By: */s/ Brian Lipman*
Brian O. Lipman, Esq.
Director, Division of Rate Counsel

BOL
Enclosure

cc: Robert Brabston, BPU
Veronique Oomen, BPU
Matthew Rossi, BPU
Hunter Griffin, BPU
Isabella Falzone, BPU
Ava Marie Madeam, BPU

**In the Matter of Comprehensive Energy Efficiency and Renewable Energy Resource
Analysis for Fiscal Year 2026 Clean Energy Programs
BPU Docket No. QO25040205**

**In the Matter of Clean Energy Programs and Budget for the Fiscal Year
2026 – True-Up, Revised Budgets and Program Changes
BPU Docket No. QO25040206**

New Jersey Division of Rate Counsel Comments

April 1, 2026

INTRODUCTION

The New Jersey Division of Rate Counsel (Rate Counsel) appreciates the opportunity to comment on the Revised Budget and Program Changes for the New Jersey Clean Energy Program (NJCEP) Fiscal Year 2026 (FY26) Comprehensive Energy Efficiency & Renewable Energy Resource Analysis (CRA) and the associated revised FY26 Budget and compliance filings. The FY26 Budget is funded through the Societal Benefits Charge (SBC), a component of electric and natural gas utility rates paid to utilities by ratepayers directly impacting their bills. The Board of Public Utilities (Board or BPU) Notice requesting comments on the FY26 CRA Revised Documents and Budgets (FY26 True-Up Budget) was issued on March 16, 2026. A two-hour virtual informational session was held on March 23, with no opportunity for questions or public comment.

For over a decade, the BPU has failed to comply with its statutory mandate to set a NJCEP Budget that balances the State's clean energy goals and the ratepayers' interests based on meaningful and careful analysis of each program. Instead for more than a decade, the BPU has utilized a top-down budgeting approach collecting approximately \$344 million from ratepayers each year and apportioning it to a suite of programs without providing any analysis or data of the costs, benefits, or needs of these programs to the public. This has resulted in a

massive over collection of money from ratepayers and higher rates over that time. Recognizing the affordability crisis and the opportunity for impactful change to bills and the Clean Energy Program, the new administration issued an executive order seeking to help ratepayers by requiring a budget process that reins in excessive bills caused by prior Clean Energy budgets.

On January 20, 2026, Governor Sherrill issued Executive Order No. 1 (“EO1” or “Executive Order”), which critically states¹:

WHEREAS, the top priority of this Administration is to make New Jersey more affordable for all New Jersey residents, families, and businesses; and

WHEREAS, electricity is a critical resource for the health, safety, welfare, and prosperity of New Jerseyans, and fundamental to the State’s economic stability and growth; and

WHEREAS, the current cost of electricity has reached the point of crisis for many residents and families, and requires bold action to provide short-term relief and medium and long-term strategies and reforms to improve our energy system....

In addition to Executive Order No. 1, Rate Counsel has reviewed the following materials (FY26 True-Up Materials) posted for comment:

- BPU notice, “In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2026 – True-Up, Revised Budgets and Program Changes” (FY26 True-up Notice);
- “New Jersey Clean Energy Program – Charge Up New Jersey Fiscal Year 2026 Compliance Filing” dated March 16, 2026 (FY26 Charge Up NJ);
- DCE, “Renewable Energy Programs, Energy Efficiency Programs, Distributed Energy Resources and NJCEP Administration Activities,” draft for public comment dated March 16, 2026 (DCE FY26 March 16 Compliance Filing);
- TRC, “Energy Efficiency and Renewable Energy Program Plan Filing” draft, dated March 16, 2026 (TRC FY26 March 16 Compliance Filing);

¹ Governor Sherrill Executive Order No. 1., January 20, 2026, p. 1.

- TRC, “State Energy Program for Non-Investor-Owned Utility Customers, Compliance Filing Draft” dated March 16, 2026 (Non-IOU Filing);
- “Utility Residential Low Income Comfort Partners Program, Proposed Program Description and Budget” draft, dated March 16, 2025 (Comfort Partners FY26 Compliance Filing).
- “BPU and DPMC Designated Project List State Facilities Initiative Funds FY26, Draft” (State Facilities); and
- BPU March 23, 2026, informational session materials (FY26 March 16 Informational Materials).

Despite the clear affordability crisis, it appears to be business as usual at the BPU. As detailed below the FY26 True-up proposal fails to meet the mandates of EO1 and instead continues the Board’s trend of acting without any analysis or presentation of data.

Executive Summary

Based on its review, attendance at the March 23 informational session, and participation in this and prior fiscal years’ CRA and budget matters, Rate Counsel notes the following failures (Rate Counsel Observations):

- A. The Residential Universal Bill Credit (RUBC) of \$102,723,388 is consistent with Executive Order No. 1. Rate Counsel supports the credit. However, as Rate Counsel has noted numerous times in the past, because the Board has failed to engage in any meaningful analysis of the NJCEP budget, it has over-collected hundreds of millions of dollars from ratepayers each fiscal year. Despite this pattern and explicit directions from the legislature and in EO1, the Board has yet again chosen to neglect its duty to provide meaningful analysis of Clean Energy’s spending and the source of the funds going towards the credit. It should be explained that this money is available due to over-collection of funds in prior years. Therefore, although this is a credit, it is really a refund of money previously paid by ratepayers in prior years and may or may not go back to the actual ratepayer who paid the money or the amount.
- B. The remaining proposed budget and program revisions do not comply with Executive Order No. 1 and the Electric Discount Energy Competition Act (“EDECA”) N.J.S.A. 40:3-60 et. Seq.:
 - a. Paragraph #3 of EO1, requires the BPU to “review all components of, and rationales for, the SBC imposed on electricity bills, as well as the budget of

the Clean Energy Program administered by the BPU.” The BPU did not do so in setting the initial FY26 NJCEP budget and again fails to do so in the FY26 True-Up Budget.

- b. Paragraph #4 of EO1 mandates that BPU “prioritize expediting revisions to the Clean Energy Program budget for Fiscal Year 2026 and, no later than May 1, 2026, issue a “true-up” budget based, in part, on actual expenses incurred during Fiscal Year 2025” and specifically that the True-Up Budget “prioritize funding for direct ratepayer relief to offset increases in the cost of electricity supply borne by residential ratepayers, consistent with the priorities and directives of this Order.” Outside of returning the FY25 overpayment to ratepayers, the BPU engages in little analysis let alone analysis of how FY26 budget costs may be reduced to benefit ratepayers.
 - c. Paragraph #4. B. of EO1 instructs that the True-Up Budget “identify opportunities to increase support for, or investment in, energy efficiency programs for income-qualifying ratepayers to help lower those ratepayers’ energy bills.” The proposed true-up budget fails to do so.
 - d. Paragraph #5 of EO1 instructs that the “BPU shall also consider opportunities to reduce the SBCs in effect for every electric distribution utility without compromising funding for direct energy assistance programs or income-qualifying ratepayers, including by directing available RGGI proceeds or other resources to those programs.” The proposed true-up budget fails to do so.
- C. The FY26 True-Up Budget continues the historical practice of using unspent funds from prior fiscal years while maintaining the FY26 SBC, resulting in the overcollection of funds from ratepayers in FY26.
- D. As has been the case for the past 10+ NJCEP budgets and true-up budgets, the FY26 March 16 Informational Materials provided by BPU staff do not provide the necessary information, data, explanations, or time for stakeholders or the Board to assess the proposed programs and budget revisions.
- E. The FY26 True-Up Budget contains numerical inconsistencies that need to be resolved before approval of the revised budgets.

Given these ongoing issues, the Board should not approve any new spending and instead return to ratepayers the \$ 102,723,388 of additional FY25 carryforward and other revenues identified

in the FY26 True-Up Budget.² Doing so is in compliance with the mandate in Executive Order No 1, paragraph #4. a., to “prioritize funding for direct ratepayer relief” and rightfully returns ratepayer funds that were collected over a year ago.

The Board should also require BPU Staff to revise the FY26 True-Up Materials to comply with Executive Order No. 1 and EDECA, address the identified numerical inconsistencies, re-issue the corrected FY26 True-Up Materials publicly for stakeholder review and comment, and allow for at least a four-week comment period.

The next section, General Comments, provides overall support for Rate Counsel’s Observations.

GENERAL COMMENTS

A. The FY 2026 True-Up Budget Should Comply with the Governor’s Executive Order No. 1

Executive No. 1 provides clear guidance to the Board for the Clean Energy Program and the FY26 True-Up Budget. EO1 repeatedly uses mandatory language to include “shall provide,” “shall prioritize,” “shall consider,” and “shall review.” Such language creates a binding obligation with legal effect upon the entity – in this case the BPU and Staff - to adhere to the proscriptions in the EO. The True-Up proposed by the BPU and Staff does not reflect compliance with these mandates.

1. The FY 2026 True-Up Budget Does Not Review All Components and Rationales for the Societal Benefits Charge (SBC)

Paragraph #3 of EO1 requires the BPU to review all components and rationales for the SBC.

² FY26 True-Up Budget, p. 2.

3. BPU shall review all components of, and rationales for, the SBCs imposed on electric bills, as well as the budget of the Clean Energy Program administered by BPU, which consists in part of proceeds from SBCs.³

The FY26 True-Up Materials do not reflect that Staff conducted the comprehensive review ordered by the Governor. Staff fails to mention Executive Order No. 1, let alone discuss how the proposed revisions comply with it.

Furthermore, the “reasons” provided in the FY26 True-Up Budget in the tables on pages 4-6 are cursory and incomplete. Staff does not identify the specific budget adjustment proposals within a program or provide any data, analysis, or other support for the claimed rationales. Nor does Staff mention or provide any analysis of how the \$190 million in SBC funds swept from the FY26 CEP Budget affected the Budget or identify from which programs, services, or line items the funds were appropriated. To worsen matters, despite failing to provide any real data or analysis in this true-up process (or any other budget process for a decade), the BPU proposes to add another \$5.6 million to its \$44.6 million annual budget for “Program Evaluation/Analysis.” The proposal provides no explanation regarding how that analysis will be conducted, what additional program analysis will result from the additional funding, or any benefit achieved from expending an additional \$5.6 million of ratepayer money.

The other FY26 True-Up Materials provide no additional rationales. These documents contain minor redlines, with the exception of an extended redline of the Clean Energy Program Outreach efforts.⁴ None of these redlines individually or in aggregate constitute a “review all

³ EO1 at p. 6.

⁴ TRC, “Energy Efficiency and Renewable Energy Program Plan Filing” Draft, dated March 16, 2026, pp. 56-83. Revising an outreach plan should be done after the required comprehensive review, as required by Executive Order No. 1, so that the outreach plan is consistent with the revised programs.

components of, and rationales for, the SBCs imposed on electric bills, as well as the budget of the Clean Energy Program administered by BPU, which consists in part of proceeds from SBCs” as required by paragraph 3 of EO1.

Finally, the FY26 True-Up Budget does not review the rationale for budget line items that were not proposed to be revised, as required by the Executive Order. Instead, it only provides one to two vague sentences to support budget items that were increased or decreased.

2. The True-Up Budget Does Not Prioritize Funding for Direct Ratepayer Relief

EO1, paragraph #4, unequivocally requires the BPU to prioritize funding for direct ratepayer relief. It states:

4. BPU shall prioritize expediting revisions to the Clean Energy Program budget for Fiscal Year 2026 and, no later than May 1, 2026, issue a “true-up” budget based, in part, on actual expenses incurred during Fiscal Year 2025. The true-up budget shall also:

a. prioritize funding for direct ratepayer relief to offset increases in the cost of electricity supply borne by residential ratepayers, consistent with the priorities and directives of this Order.

The True-Up that Staff proposes instead maintains substantial allocations to programmatic and administrative initiatives while providing insufficient emphasis on immediate, direct bill relief. There is no analysis to allow review of whether these allocations benefit ratepayers or if they can be returned to meet the affordability crisis currently at hand. Although clean energy investments can provide long-term benefits, they do not address the immediate affordability crisis confronting ratepayers facing sharp increases in electricity supply costs in 2026. Staff did no analysis as to where the BPU may decrease the clean energy budget to provide ratepayer relief. EO1’s use of the term “*prioritize*” establishes a clear hierarchy for Staff to follow in analyzing, allocating, and reallocating funds in the Budget. Direct ratepayer relief must come first. The True-Up does not

demonstrate that Staff analyzed opportunities for, let alone prioritized, ratepayer relief or the impact that the True-Up will have on rates or its funding decisions.

The Revised FY26 Budget also does not report the amount of uncommitted FY26 funds. To comply with Executive Order No. 1, these FY26 uncommitted funds should not be included in the funds carried forward to FY27. Instead, these funds should be added to the RUBC funding of \$102,723,388 and not be delayed as suggested by Board Staff.⁵ Alternatively, the uncommitted SBC funds should be used to reduce the amount of SBC funds collected in the future from rate payers consistent with EO1 and N.J.S.A. 48:3-60. The proposed FY26 True-Up Budget should not continue the long-standing practice of refusing to perform any meaningful analysis resulting over-collecting SBC funds from ratepayers.⁶

3. The True-Up Budget Does Not Identify Opportunities to Increase Energy Efficiency Programs for Income-Qualifying Ratepayers

Executive Order No. 1, paragraph #4, states that the revisions to the Clean Energy Program budget for FY26 should:

- b. identify opportunities to increase support for, or investment in, energy efficiency programs for income-qualifying ratepayers to help lower those ratepayers' energy bills.

⁵ “Lastly, EO1 calls for the Board to provide another round of credits through RUBC to “offset increases in the cost of electricity supply due to take effect in 2026.” According to EO1, the initial set of RUBCs should be issued no later than July 1, 2026. To that effect, Board Staff anticipates opening another iteration of credits in the near future, once necessary details are determined.” DCE FY26 March 16 Compliance Filing, p. 34.

⁶ The continued carryforward of ever-increasing surplus SBC funds – much of which includes uncommitted funds - obscures the true cost of CEP programs and only serves to make the Legislative diversion of SBC funds through the State Appropriations Act a certainty in violation of ratepayers' substantive due process rights. See New Jersey Division of Rate Counsel Comments, In the Matter of Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for Fiscal Year 2026 Clean Energy Programs BPU Docket No. QO25040205 and In the Matter of Clean Energy Programs and Budget for the Fiscal Year 2026 BPU Docket No. QO25040206.

The FY26 True-Up Notice summarizes proposed increases in the FY26 budget in a table.⁷ But none of the listed items in that table “increase support for, or investment in, energy efficiency programs for income-qualifying ratepayers.” Instead, the budget revisions proposed by Staff largely maintain existing program structures without demonstrating meaningful expansion of programs targeted to low- and moderate-income households or providing analysis of how this budget was derived. For example, the only difference in the funding for Comfort Partners is shifting funds among utilities, the actual funding for Comfort Partners has remained the same from the original FY26 budget. Flat funding does not satisfy the directive to *increase support*, particularly during a declared affordability emergency. Income-qualifying households spend a disproportionate share of their income on energy costs. The failure to enhance targeted efficiency investments perpetuates this inequity and conflicts with EO1’s affordability mandate. In short, the True-Up Budget does not comply or even attempt to comply with EO1 for income-qualifying households.

4. The True-Up Budget Does Not Consider Reductions in the Societal Benefits Charge (“SBC”)

EO1 in paragraph #5 mandates that the BPU consider opportunities to reduce the SBC without compromising low-income programs. It states:

5. BPU shall also consider opportunities to reduce the SBCs in effect for every electric distribution utility without compromising funding for direct energy assistance programs or income-qualifying ratepayers, including by directing available RGGI proceeds or other resources to those programs.

The True-Up Budget does not consider opportunities to reduce the SBC without compromising low-income programs. There is no mention, let alone discussion or analysis, of this

⁷ FY26 True-Up Notice pp. 4-5.

mandate in the FY26 True-Up Materials. Specifically, these materials do not consider reducing the SBC without compromising low-income programs.

The True-Up does not provide a sufficiently detailed analysis of SBC components, nor does it present actionable pathways for reductions of future SBC collections, even after a decade plus of overcollection of SBC funds from ratepayers. Maintaining existing SBC levels without the required and documented affordability analysis is inconsistent with EO1's directive and EDECA at N.J.S.A. 48:3-60. EO1 also specifically requires Staff to consider alternative funding sources, including proceeds from the Regional Greenhouse Gas Initiative (RGGI), to offset SBC burdens. The True-Up does not clearly demonstrate that such alternatives were meaningfully evaluated with respect to reducing the SBCs in effect for every electric and gas distribution utility – with or without compromising funding for direct assistance to income-qualifying ratepayers.

Rate Counsel submits that the first item Staff must consider, to reduce SBCs in effect and future collections, is the State Energy Initiatives (“SEI”), which is not authorized by EDECA, but has grown exponentially since its dubious addition to the NJCEP Budget. Rate Counsel is concerned that the SEI budget category is merely a mechanism by which the State Legislature can exercise its authority to appropriate SBC funds for other unrelated state initiatives that would ordinarily be funded through State appropriations or general revenue.

SBC funds are collected directly from utility ratepayers and must therefore be used for the specific purposes authorized by N.J.S.A. 48:3-60. While the Legislature may divert those funds for a different purpose through appropriation, it is wholly inappropriate to set rates to meet the requirements of the general fund prior to that appropriation. This is no longer a sweep of existing surplus (of which there is plenty) but rather allowing rates to supplant taxes. This is not a permitted use of the SBC.

Another concern with the SEI category is that it reduces transparency within the CEP budget. Unlike the statutorily authorized CEP programs, which have defined incentive structures and measurable energy savings metrics, SEI expenditures often lack:

- clearly defined program participation levels
- measurable energy savings
- standardized cost-effectiveness evaluation

This makes it difficult for stakeholders to determine whether SEI spending produces quantifiable benefits for ratepayers.

Rate Counsel believes that every dollar collected from ratepayers through the SBC should be subject to rigorous cost-effectiveness review, which the True-Up proposed by Staff does not do. Programs that cannot demonstrate measurable benefits should not continue to receive significant funding allocations, unless there are compelling policy reasons for the greater cost over the benefits.

5. The True-Up Budget Does Not Provide Sufficient Detail of All Actual Expenses

EO1 requires the True-Up to be based, in part, on “actual expenses incurred during Fiscal Year 2025.” Rate Counsel is concerned that several budget categories appear to rely on projected or historical allocations rather than a rigorous reconciliation of actual expenditures. A true-up that perpetuates legacy funding patterns without expense-based recalibration does not meet the requirements of EO1 or N.J.S.A. 48:3-60 for data-driven budget correction. This issue is discussed more fully in the following section and in the Appendix.

B. The FY26 True-Up Materials Do Not Provide the Necessary Information or Time for Stakeholders or the Board to Assess the Proposed Revisions

The FY26 True-Up Materials were issued on March 16, 2026, and comments are due on April 1, 2026, which only allows for 12 business days for review and comment on over \$100 million of reallocation. The March 23, 2026, informational session only lasted approximately 30 minutes, did not allow for questions or comments, and consisted of reading the FY26 True-Up Budget.

This abbreviated comment period and the inadequate rationale, complete lack of data, analysis, and support for the proposed revisions prevent Rate Counsel and other stakeholders from properly evaluating the FY26 True-Up Materials. It also prevents the Board from having the necessary record to make a reasoned decision. Due process requires that an administrative agency provide the factual underpinnings for a decision and an opportunity for the public to challenge those facts. As demonstrated in this and prior Rate Counsel comments⁸, the record needed to make a reasoned decision is lacking, and BPU Staff's refusal to develop one, despite multiple requests over multiple years, places any Board Order in this matter in jeopardy of being found invalid. BPU Staff must remedy this issue and provide relevant factual support for the FY26 True-Up Budget.

⁸ New Jersey Division of Rate Counsel Comments, In the Matter of Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for Fiscal Year 2026 Clean Energy Programs BPU Docket No. QO25040205 and In the Matter of Clean Energy Programs and Budget for the Fiscal Year 2026 BPU Docket No. QO25040206.

⁸ FY26 True-Up Notice.

C. The FY26 True-Up Budget Contains Numerical Inconsistencies that Need to Be Resolved Before Its Approval

The appendix reproduces the key tables from the FY26 True-Up Notice.⁹ The columns and rows in beige check the numerical calculations within the tables. Orange numerical values indicate a difference between the table's reported value and the check. Twenty-three numerical inconsistencies are noted in the appendix. The Board should not approve the True-Up Budget until these numerical inconsistencies are resolved and stakeholders are allowed to review and comment on the final proposed numbers.

CONCLUSION

Based upon its review, Rate Counsel finds the following:

- A. The Residential Universal Bill Credit (RUBC) of \$102,723,388 is consistent with Executive Order No. 1, but could be possibly at a higher amount.
- B. The remaining proposed budget and program revisions do not comply with Executive Order No.1.
- C. The True-Up Budget continues the historical practice of using unspent funds from prior fiscal years while not correspondingly reducing the FY26 SBC, resulting in the overcollection of funds from ratepayers in FY26.
- D. The FY26 Materials do not provide the necessary information, data, analysis or time for stakeholders or the Board to assess the proposed programs and budget revisions.
- E. The FY26 True-Up Budget contains numerical inconsistencies that need to be resolved before the approval of the revised budgets.

Based upon these findings, Rate Counsel recommends that the following items be completed before the approval of the FY26 True-Up. First, the \$73,055,375 of additional FY25 carryforward and other revenues should be added to the RUBC. Any other money that is no longer

⁹ FY26 True-Up Notice, pp. 6.

needed to fund various programs should also be added to the RUBC or alternatively, the uncommitted SBC funds should be used to reduce the amount of SBC funds collected in the future from rate payers consistent with EO1 and N.J.S.A. 48:3-60. Second, the FY26 True-Up Materials should be revised to comply with Executive Order No. 1 and recirculated to stakeholders for comment. At least four weeks should be given for stakeholders to review the comments submitted. Third, the numerical inconsistencies identified in the FY26 Revised Budget need to be resolved before its approval. Fourth, the BPU must conduct and publish a detailed review and analysis of SBCs for stakeholder input and identify pathways to reduce existing and future SBC collections.

Appendix: The Revised Budget True-Up Calculations Contain Multiple Numerical Inconsistencies

See below where Rate Counsel has indicated numerical inconsistencies in Staff’s proposed budget table. Rate Counsel added columns labeled “Math Check” and the noted inconsistencies appear below in orange type.

(In \$)							
<i>FY25 Programs/Budget Line</i>	<i>FY25 Final Budget</i>	<i>FY25 Actual Expenses</i>	<i>FY25 Year End Board Approved and Committed Carryforward</i>	<i>FY25 Actual Expenses plus Year End Commitments</i>	<i>Math Check</i>	<i>FY25 Budget Less Actual Expenses and Commitments</i>	<i>Math Check</i>
Total NJCEP + State Initiatives	865,461,252	329,207,621	309,282,564	638,490,185	638,490,185	227,371,067	226,971,067
Math Check	865,461,252	329,207,621	309,282,564	638,490,185	638,490,185	227,371,067	226,971,067
State Energy Initiatives	71,200,000	71,200,000	0	71,200,000	71,200,000	0	0
Total NJCEP	794,261,252	258,007,621	309,282,564	567,290,185	567,290,185	227,371,067	226,971,067
Math Check	794,261,252	258,007,622	309,282,564	566,890,185	567,290,186	227,371,068	227,371,067
Energy Efficiency Programs	176,578,111	40,019,751	127,371,480	167,391,231	167,391,231	9,186,880	9,186,880
Distributed Energy Resources	152,249,782	4,935,462	9,849,825	14,785,287	14,785,287	137,464,496	137,464,495
RE Programs	23,270,069	6,769,484	3,141,523	9,911,006	9,911,007	13,359,063	13,359,063
Planning and Administration	70,637,275	31,304,551	15,589,391	46,493,942	46,893,942	24,143,333	24,143,333
BPU Initiatives	371,526,015	174,978,374	153,330,345	328,308,719	328,308,719	43,217,296	43,217,296

Proposed FY26 True-Up Budget (In \$)					
<i>FY26 Program/Budget Line</i>	<i>FY26 Initial Budget</i>	<i>Additional FY25 Carryforward and Other Revenues*</i>	<i>Line Item Transfers</i>	<i>Revised FY26 Budget</i>	<i>Math check</i>
Total NJCEP + State Initiatives	869,030,671	73,055,374	0	942,086,044	942,086,045
	869,030,671	73,055,374	0	942,086,044	942,086,045
State Energy Initiatives	216,189,000	-	-	216,189,000	216,189,000
Total NJCEP	652,841,671	73,055,374	-	725,897,044	725,897,045
	652,841,669	73,055,374	0	725,897,045	725,897,043
Energy Efficiency Programs	191,406,296	1,343,708	(14,586,849)	178,163,155	178,163,155
	191,406,297	1,343,708	(14,586,849)	178,163,155	178,163,156
C&I EE Programs	67,463,790	1,343,708	(12,044,850)	56,762,647	56,762,648
	67,463,790	1,343,707	(12,044,850)	56,762,647	56,762,647
C&I Buildings	60,390,071	(1,139,296)	(12,044,850)	47,205,925	47,205,925
LGEA	7,073,719	2,483,003	0	9,556,722	9,556,722
New Construction Programs	69,204,679	0	(2,479,373)	66,725,306	66,725,306
New Construction	69,204,679	0	(2,479,373)	66,725,306	66,725,306
State Facilities Initiative	54,675,202	0	0	54,675,202	54,675,202

Acoustical Testing Pilot	62,626	0	(62,626)	0	0
Distributed Energy Resources	25,923,043	1,567,115	(5,867,478)	21,622,681	21,622,680
	25,923,044	1,567,115	(5,867,478)	21,622,681	21,622,681
CHP - FC	19,323,828	1,567,115	0	20,890,943	20,890,943
Microgrids	731,738	0	0	731,738	731,738
Energy Storage	5,867,478	0	(5,867,478)	0	0
	5,867,478	0	(5,867,478)	0	0
Transmission-Scale	0	0	0	0	0
Distributed	5,867,478	0	(5,867,478)	0	0
RE Programs	7,372,116	2,498,911	(435,242)	9,435,785	9,435,785
	7,372,116	2,498,911	(435,242)	9,435,785	9,435,785
Resource Adequacy	4,346,675	0	(435,242)	3,911,433	3,911,433
Solar Registration	3,025,441	2,498,911	0	5,524,352	5,524,352
Planning and Administration	70,407,798	67,645,640	40,213,714	178,267,153	178,267,152
	70,264,893	67,645,640	40,356,620	178,267,153	178,267,153
BPU Program Administration	10,400,000	0	0	10,400,000	10,400,000
Marketing	7,000,000	0	0	7,000,000	7,000,000

CEP Website	1,423,000	0	0	1,423,000	1,423,000
Program Evaluation/Analysis	44,661,932	4,560,557	537,954	49,760,443	49,760,443
Residential Universal Bill Credit		63,007,542	39,715,846	102,723,388	102,723,388
Outreach and Education	6,779,961	77,541	(15,130)	6,842,372	6,842,372
	6,779,961	77,541	(15,130)	6,842,371	6,842,372
Sustainable Jersey	1,429,980	0	(8)	1,429,972	1,429,972
NJIT Learning Center	1,056,864	0	(15,122)	1,041,741	1,041,742
Outreach, System Maintenance, Other (Program Administrator)	4,293,117	77,541	0	4,370,658	4,370,658
Memberships	142,906	-	(24,956)	117,950	117,950
BPU Initiatives	357,732,416	0	(19,324,145)	338,408,271	338,408,271
	357,732,416	0	(19,324,145)	337,408,271	338,408,271
Clean Energy Affordability	133,802,216	0	(1,120,000)	132,682,216	132,682,216
	199,733,239	0	(1,120,000)	198,613,239	198,613,239
Community Energy Grants	13,008,268	-	-	13,008,268	13,008,268

Urban Heat Island Mitigation Grants	5,000,000	-	-	5,000,000	5,000,000
Residential Low Income Improvements	65,931,023	-	-	65,931,023	65,931,023
<i>Comfort Partners</i>	<i>62,931,023</i>	-	-	<i>62,931,023</i>	<i>62,931,023</i>
<i>Whole House</i>	<i>3,000,000</i>	-	-	<i>3,000,000</i>	<i>3,000,000</i>
Residential Energy Assistance Payment	48,742,925	-	-	48,742,925	48,742,925
Clean Local Energy Advisory and Resource Fellows	1,120,000	-	(1,120,000)	0	0
Grid Modernization Efforts	15,000,000	-	(10,000,000)	5,000,000	5,000,000
Electric Vehicle Programs	207,930,200	-	(8,204,145)	199,726,055	199,726,055
	207,930,200		(8,204,145)	199,726,055	199,726,055
Plug In EV Incentive Fund	80,873,200	-	0	80,873,200	80,873,200

CUNJ Administrative Fund	8,100,000	-	0	8,100,000	8,100,000
CUNJ Residential Charger Incentive	5,750,000	-	0	5,750,000	5,750,000
EV Studies, Pilots, and Administrative Support	1,500,000	-	(1,500,000)	0	0
Clean Fleet	29,157,000	-	(5,619,556)	23,537,444	23,537,444
Multi-Unit Dwellings (Chargers)	31,750,000	-	(10,603,409)	21,146,591	21,146,591
EV Tourism	19,800,000	-	9,518,820	29,318,820	29,318,820
Electric School Buses	15,000,000	-	0	15,000,000	15,000,000
School Bus V2G	4,000,000	-	0	4,000,000	4,000,000
MHD Depot	12,000,000	-	0	12,000,000	12,000,000
Workforce Development	1,000,000	-	0	1,000,000	1,000,000

PROPOSED BUDGET REVISIONS

Allocations and Rationale

Proposed Increases

Staff proposes to increase the budgets for the programs and initiatives below for the following amounts and reasons:

Proposed Decreases

Staff proposes to decrease the budgets for the programs below for the following amounts and reasons:

<u>Program</u>	<u>Reason(s)</u>	<u>Amount in \$</u>	From Carryforward Column	From line item Column	Sum
LGEA	Budget adjusted to reflect new TRC contract rates. Additionally, projections for program applications increased.	2,483,003	2,483,003		2,483,003
CHP-FC	Budget adjusted to reflect new TRC contract rates. Additionally, projections for program participation increased after changes were made to eligibility.	1,567,115	1,567,115		1,567,115
Solar Registration	Budget adjusted to reflect new TRC contract rates. Projections for program participation increased based off more recent activity.	2,498,911	2,498,911		2,498,911
Program Evaluation/Analysis	Funding was reallocated within the budget to support priorities in Executive Order 1 (“EO-1”). Additional funding has been allocated for new program evaluation contracts.	5,636,466	4,560,557	537,954	5,098,511
Residential Universal Bill Credit (RUBC)	Funding reallocated to provide a universal bill credit to offset utility bill increases, in accordance with EO-1.	102,723,388	63007542	39,715,846	102,723,388
Outreach, System Maintenance, Other (Program Administrator)	Budget adjusted to reflect new TRC contract rates.	77,541	77,541		77,541
EV Tourism	Funding was previously approved by Staff through transfers to support awards for the waitlist of the EV Tourism Corridor program.	9,518,820		9,518,820	9,518,820
	Math Check	124,505,244	74,194,669	49,772,620	123,967,289

Proposed Deductions

Staff proposes to decrease the budgets for the programs below for the following amounts and reasons:

<u>Program</u>	Reason(s)	<u>Amount in \$</u>	From Carryforward	From line item	Sum
C&I Buildings	Funding decreased based on migration of activity to the New Construction Program. Funding from LEUP that was not anticipated to be awarded this year was reallocated to RUBC.	25,228,996	-1,139,296	-12,044,850	-13,184,146
New Construction	Funding that was not anticipated to be awarded this year was reallocated to RUBC.	2,479,373		-2,479,373	-2,479,373
Acoustical Testing Pilot	Funding is no longer needed and can be reallocated to other programs/initiatives.	62,626		-62,626	-62,626
Energy Storage - Distributed	Funding is no longer needed for this initiative, as it will be funded through another program line.	5,867,478		-5,867,478	-5,867,478
Resource Adequacy	Some funding will not be needed and can be reallocated to other programs/initiatives.	435,242		-435,242	-435,242
Sustainable Jersey	Some funding will not be needed and can be reallocated to other programs/initiatives.	8		-8	-8
NJIT Learning Center	Some funding will not be needed and can be reallocated to other programs/initiatives.	15,122		-15,122	-15,122
Memberships	This funding was anticipated to carry forward but was spent in FY25.	24,956		-24,956	-24,956
Grid Modernization Efforts	Some funding will not be needed and can be reallocated to RUBC.	10,000,000		-10,000,000	-10,000,000
Clean Local Energy Advisory and Resource Fellows	Funding will not be needed in FY26 and was redistributed to RUBC.	1,120,000		-1,120,000	-1,120,000

EV Studies, Pilots, and Administrative Support	Funding that was not needed in FY26 and was redistributed to RUBC.	1,500,000		-1,500,000	-1,500,000
Clean Fleet	Some funding will not be needed and was approved by Staff to be reallocated to EV Tourism. Additional funding from cancelled grants will be redistributed to RUBC.	5,619,556		-5,619,556	-5,619,556
Multi-Unit Dwellings (Chargers)	Some funding will not be needed and was approved by Staff to be reallocated to EV Tourism. Additional funding that is not needed and funds from cancelled grants will be redistributed to RUBC.	10,603,409		-10,603,409	-10,603,409
	Math Check	62,956,766	-1,139,296	-49,772,620	-50,911,916
	Totals from Both Tables	61,548,478	73,055,373	0	73,055,373