



Request for Comments

September 23, 2021

Proposed New Jersey's Clean Energy Program Fiscal Year 2022

Second Budget Revision

[Docket Number QO21040720](#)

BACKGROUND AND PROPOSED BUDGET REVISIONS

On June 24, 2021, the New Jersey Board of Public Utilities (“NJBP”) approved the Fiscal Year 2022 Budget (“FY22 Budget”) for *New Jersey's Clean Energy Program™* (“NJCEP”) through a Board Order ([Docket No. QO21040720](#)) and NJBP Staff proposed a first revision, released for comment on August 27, 2021. Staff now proposes a second revision to the FY22 Budget (“Proposal”) regarding the Charge Up New Jersey Program, reallocating \$20,000,000 in funds to the Electric Vehicles Plug In EV Incentive Fund from the State Facilities Initiative (“SFI”) Program and Energy Storage (“ES”) Program, as described in more detail below.

The Board launched Year Two of the Charge Up New Jersey Program (“Program”), a point-of-sale electric vehicle incentive, on July 6, 2021, and paused the eligibility for this Program on September 15, 2021, anticipating the program fully utilizing funds identified in the FY22 Budget. The Program pause also allows the Board to evaluate both the possibility of additional funding as well as modifications to the program for the remainder of the FY22 Program. The revised FY22 Compliance Filing seeks to solicit public comments on possible modifications, including to the incentive amount for the utilization of an additional \$20,000,000 anticipated to be added to the Program for this year.

Vehicle electrification is a key part of Governor Phil Murphy’s clean energy agenda along with offshore wind, solar, and energy efficiency. These initiatives are part of a comprehensive approach to transition New Jersey to 100 percent clean energy by 2050. In support of that goal, drivers looking to make the switch to electric have enthusiastically embraced the Charge Up New Jersey incentive, which provided up to \$5,000 to purchase or lease a new electric vehicle (“EV”) and resulted in the successful commitment of the \$30,000,000 in original funding for the Program by September 15, 2021. In its first two years, the Program has maxed out all committed funding to provide nearly 9,000 new EVs to New Jersey residents.

The proposed budget increase and decreases would occur entirely within the “Rebates, Grants, and Other Direct Incentives” cost category. Specifically, Staff recommends \$10,000,000 be reallocated from both the SFI and ES Programs, accordingly. The second phase of the ES Program is still under development and review, so the \$10,000,000 decrease reflects best estimates of

how much funding will be needed for the remainder of the fiscal year. Additionally, the SFI Program does not anticipate fully expending their budget of \$57,733,448 by the end of the fiscal year, so \$10,000,000 can be reallocated temporarily. Lastly, Staff will continue to monitor spending throughout all NJCEP programs and make any further funding reallocations as part of the annual true-up budget process.

Staff is requesting comments on the Proposal prior to presenting it to the Board for consideration. The schedule and process for submitting comments, as well as the virtual Public Stakeholder Meeting date, is set forth at the end of this Request for Comments.

BUDGET TABLE

The following table shows the second Proposed Budget Revisions and the resultant budget:

In (\$)

<i>FY22 Program/Budget Line</i>	<i>Current Board Approved FY22 Budget</i>	<i>Proposed Second Revisions</i>	<i>Resultant Revised FY22 Budget</i>
Total NJCEP + State Initiatives	586,106,880	-	586,106,880
State Energy Initiatives	87,100,000	-	87,100,000
Total NJCEP	499,006,880	-	499,006,880
Energy Efficiency Programs	311,225,053	(10,000,000)	301,225,053
Res EE Programs	26,386,739	-	26,386,739
Residential Retrofit	12,498,503	-	12,498,503
RNC	12,726,165	-	12,726,165
EE Products	1,162,071	-	1,162,071
Res Low Income	45,930,000	-	45,930,000
Comfort Partners	45,930,000	-	45,930,000
C&I EE Programs	153,334,372	-	153,334,372
C&I Buildings	135,634,969	-	135,634,969
LGEA	5,075,411	-	5,075,411
DI	12,623,992	-	12,623,992
Energy Efficiency Transition	23,340,494	-	23,340,494
State Facilities Initiative	57,733,448	(10,000,000)	47,733,448
Acoustical Testing Pilot	4,500,000	-	4,500,000
Distributed Energy Resources	24,635,545	-	24,635,545
CHP - FC	20,635,545	-	20,635,545
Microgrids	4,000,000	-	4,000,000
RE Programs	29,384,270	-	29,384,270
Offshore Wind	26,715,262	-	26,715,262
Solar Registration	2,669,008	-	2,669,008
EDA Programs	15,359,085	-	15,359,085
Clean Energy Manufacturing Fund	109,085	-	109,085
NJ Wind	11,500,000	-	11,500,000

R&D Energy Tech Hub	3,750,000	-	3,750,000
Planning and Administration	45,510,870	-	45,510,870
BPU Program Administration	5,185,000	-	5,185,000
Marketing	13,601,927	-	13,601,927
CEP Website	400,000	-	400,000
Program Evaluation/Analysis	19,724,922	-	19,724,922
Outreach and Education	6,210,000	-	6,210,000
Sustainable Jersey	1,000,000	-	1,000,000
NJIT Learning Center	750,000	-	750,000
Conference	700,000	-	700,000
Outreach, Website, Other	3,760,000	-	3,760,000
Memberships	389,021	-	389,021
BPU Initiatives	72,892,057	10,000,000	82,892,057
Community Energy Grants	1,000,000	-	1,000,000
Storage	20,000,000	(10,000,000)	10,000,000
Electric Vehicle Program	47,392,057	20,000,000	67,392,057
Plug In EV Incentive Fund	33,388,171	20,000,000	53,388,171
CUNJ	6,503,886	-	6,503,886
EV Grid Assessment (EDA)	500,000	-	500,000
State Vehicle Fleet	6,000,000	-	6,000,000
Municipal Clean Fleet	1,000,000	-	1,000,000
Workforce Development	4,500,000	-	4,500,000

VIRTUAL PUBLIC STAKEHOLDER MEETING

The virtual Public Stakeholder Meeting is scheduled for **Thursday, September 30, 2021 at 1:00 p.m. ET**. Further details are outlined in the [Public Notice](#).

PROCESS AND SCHEDULE FOR SUBMITTING COMMENTS

The deadline for comments is 5:00 p.m. on October 12, 2021.

Please submit comments directly to the specific docket listed above using the “Post Comments” button on the Board’s [Public Document Search](#) tool. Comments are considered “public documents” for purposes of the State’s Open Public Records Act and any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. Written comments may also be submitted electronically to Board.Secretary@bpu.nj.gov in PDF or Word format with the subject “Proposed NJCEP FY22 Second Budget Revision.”

Please submit any questions via email to EV.Programs@bpu.nj.gov with the same subject line identified above.