



Energy Efficiency Stakeholder Meeting

November 17, 2021

Agenda

1. Welcome & Introductions
2. Recap of Last Meeting
3. Current Program Updates
4. Working Group Updates
5. General Q&A
6. Items of Interest
7. Next Meetings

Welcome & Introductions



Recap of Last Month



October Meeting Recap

What we covered:

- ✓ Transition information on NJCEP website
- ✓ NJCEP and Utility Program Updates
- ✓ Working Group Updates
- ✓ Guest Presentation, COVID-19 Supply Chain Assessment: Program Impacts and Opportunities
- ✓ Q&A

Post-Transition Energy Efficiency Programs



Program areas staying with NJCEP:

- **New Construction (residential, commercial, industrial, government)**
- **Large Energy Users**
- **Combined Heat & Power & Fuel Cells**
- **Local Government Energy Audits**
- **Energy Savings Improvement Program**

Post-Transition Energy Efficiency Programs



Program areas served by the Utilities:

- Existing Buildings (residential, commercial, industrial, government)
- Efficient Products
 - HVAC
 - Appliance Rebates
 - Appliance Recycling

New Programs & Features:

Dedicated multi-family program
More financing options
Quick home energy check-ups

Post-Transition Energy Efficiency Programs



**Continues to be co-managed by the Utilities
and the BPU**

Visit our transition website:

www.NJCleanEnergy.com/TRANSITION

FAQs will be
updated
regularly

Visit our transition website:

www.NJCleanEnergy.com/TRANSITION

The screenshot displays the New Jersey Clean Energy Program website. At the top, there is a navigation bar with links for Press Room, Library, FAQs, Calendar, Newsletters, Contact Us, and Site Map. Below this is a search bar. The main navigation menu includes HOME, RESIDENTIAL, COMMERCIAL, INDUSTRIAL, LOCAL GOV. & MULTIFAMILY, and RENEWABLE ENERGY. The central content area features the title "New Jersey's Energy Efficiency Program Transition" and a sub-header "Transición del Programa de Eficiencia Energética de Nueva Jersey". The text explains that in 2018, Governor Murphy signed a landmark law to overhaul the state's clean energy systems. A section titled "Program areas staying with NJCEP:" lists "New Construction (residential, commercial, industrial, ...". To the right, a "Program Updates" section lists FY21 and FY22 updates. A prominent blue banner reads "FREQUENTLY ASKED QUESTIONS". Below this, a question asks why some programs are moving to utilities, with a detailed answer explaining the transition process and listing program categories. A second question asks which programs will remain with NJCEP, with an answer listing various programs like New Construction, Large Energy Users, and Community Solar Programs.

Press Room | Library | FAQs | Calendar | Newsletters | Contact Us | Site Map

NEW JERSEY'S CLEAN ENERGY PROGRAM

BOARD OF PUBLIC UTILITIES

REBATES AND PROMOTIONS

NJCEP POLICY UPDATES & REQUEST FOR COMMENTS

CALENDAR

CLEAN ENERGY STAKEHOLDER GROUPS

GRANTS & SOLICITATIONS

TRAINING RESOURCES

► PRESS ROOM

► PUBLIC REPORTS AND LIBRARY

CONTACT US

New Jersey's Energy Efficiency Program Transition

Transición del Programa de Eficiencia Energética de Nueva Jersey

In 2018, Governor Murphy signed into law the landmark legislation known as the Clean Energy Act. The law called for a significant overhaul of New Jersey's clean energy systems by building sustainable infrastructure in order to fight climate change and reduce carbon emissions, which will in turn create well-paying local jobs, grow the state's economy, and improve public health while ensuring a cleaner environment for current and future residents.

As part of this statewide undertaking, the Clean Energy Act required New Jersey's investor-owned gas and electric utility companies to reduce their customers' use of gas and electricity by set percentages over time. To help reach these targets, the New Jersey Board of Public Utilities approved a comprehensive suite of efficiency programs that would transition the state to some of the highest energy savings in the country.

These "next generation" energy efficiency programs feature new ways of managing and delivering programs historically administered by New Jersey's Clean Energy Program™ (NJCEP). While NJCEP will continue to offer some energy efficiency programs, all of the investor-owned gas and electric utility companies will now also offer complementary energy efficiency programs directly to their customers, as shown below.

Please visit this site regularly, browse the below Frequently Asked Questions (FAQs), and join our Energy Efficiency Listserv for additional details and the latest information.

Program Updates

- FY21 Notice of Elimination of Enhanced Incentives for Prescriptive Lighting
- FY21 Commercial & Industrial

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FREQUENTLY ASKED QUESTIONS

Why will some energy efficiency programs now be managed by the utility companies?

The transition of the administration of certain energy efficiency programs from NJCEP to the utilities is in accordance with the mandates from the Clean Energy Act of 2018. These new programs will allow the utilities to work directly with customers to achieve energy savings. The Board considered the following in establishing this transition:

- Programs that rely heavily on contractors' use will be handled at the utility level, where the utility companies can build strong relationships and lead co-branded advertising and marketing efforts.
- Utilities will handle programs that rely on customer data or advanced metering infrastructure (AMI) to streamline customer data access layers and minimize the sharing of data to protect customer privacy.
 - Utilities are well-suited to deliver certain energy efficiency programs, such as those that are based on existing customer relationships and that rely on utility data and systems.
 - Certain programs are best delivered on a consistent statewide basis, whereas others may still be effective when modified for each utility territory.
 - Utility administration works best for programs that can leverage utilities' knowledge of energy consumption, customer demographics, workforce infrastructure, and existing customer relationships within their service territories. Utility access – and increased customer access – to energy use data enables the design of more personalized services and programs, targeted outreach, and individualized solutions for customers.
- Utilities can offer flexible financing options such as on-bill repayment.
- Customers may have more "brand awareness" and direct communication with their utility, facilitating the broader adoption of energy efficiency measures.

Which energy efficiency programs will continue to be administered by NJCEP, and which will be administered by the utilities?

NJCEP will continue to administer the new construction programs for commercial and industrial (C&I), residential, and government customers. NJCEP will also continue offering the Residential New Construction, Large Energy Users, Combined Heat & Power & Fuel Cells, and Solar & Community Solar Programs, as well as the Local Government Energy Audit Program, the Energy Savings Improvement Program financing program, and energy efficiency opportunities for state

Current Program Updates



BPU Program Updates: Progress to Goals (PTG) Report as of October 2021 – FY22

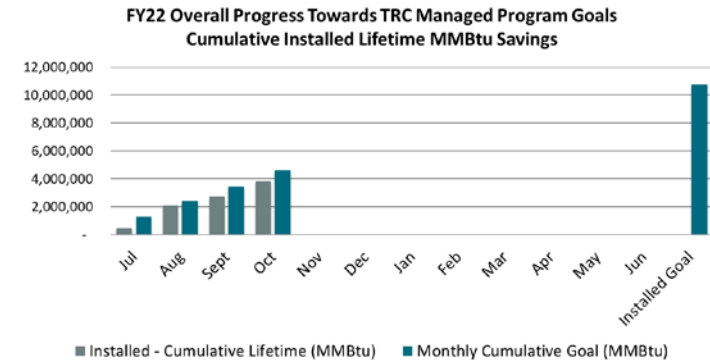
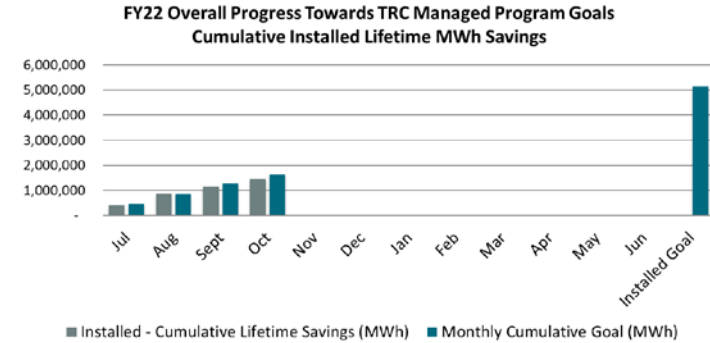
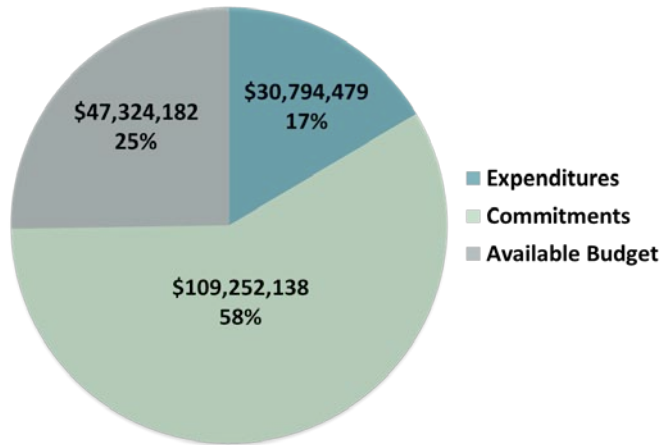


Note (1): The results presented here are preliminary and are subject to change.

Note (2): Due to COVID-related health and safety restrictions, some programs have experienced a decline in participation or project completions.

Overall Progress Towards TRC Managed Program Goals

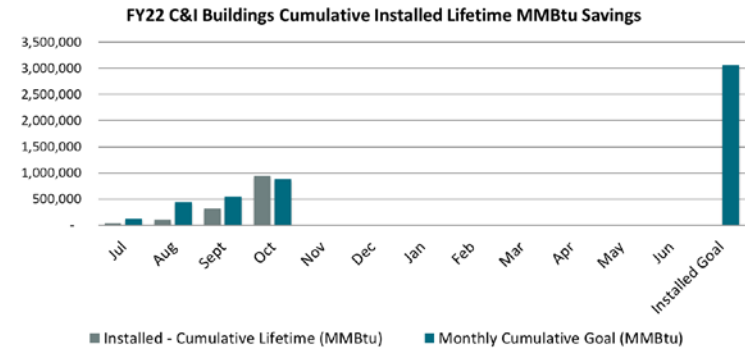
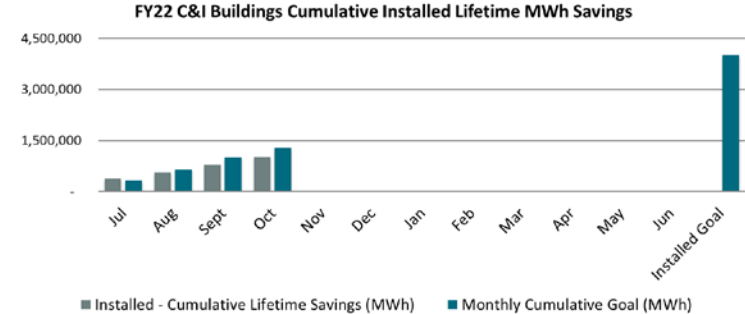
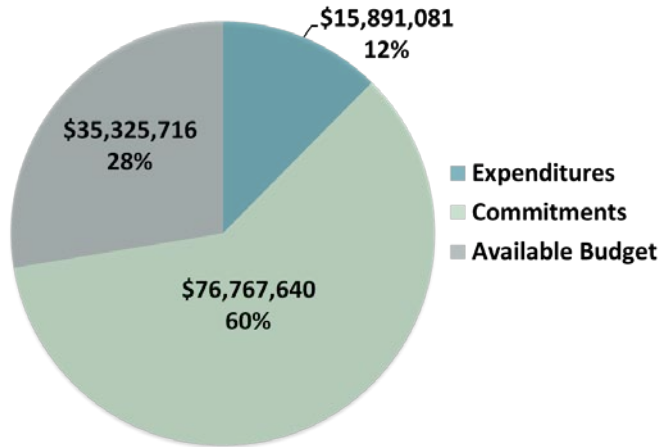
FY22 Overall TRC Managed Programs
Incentive Budget: **\$187,370,799**



Commercial & Industrial Buildings

NJCleanEnergy.com

FY22 Incentive Budget: **\$122,584,436**



Commercial & Industrial Buildings

October Program Highlights

Retrofit

- Received 12 applications (105 YTD)
- Approved 35 applications (449 YTD)
- Paid 149 applications (678 YTD)

New Construction

- Received 6 applications (20 YTD)
- Approved 5 applications (21 YTD)
- Paid 0 applications (16 YTD)

Customer Tailored Energy Efficiency Pilot Program (CTEEP)

- Received 1 new enrollment (3 YTD)
- Approved 2 applications (5 YTD)
- Paid 27 applications (44 YTD)
- Held 0 scoping session meetings with customers (3 YTD)

Large Energy Users Program (LEUP)

- Received 2 applications (7 YTD)
- Approved 0 Final Energy Efficiency Plans (0 YTD)
- Paid 2 applications (5 YTD)

Pay for Performance – Existing Buildings

- Received 0 applications (0 YTD)
- Approved 2 Energy Reduction Plans (3 YTD)
- Completed 0 projects (4 YTD)

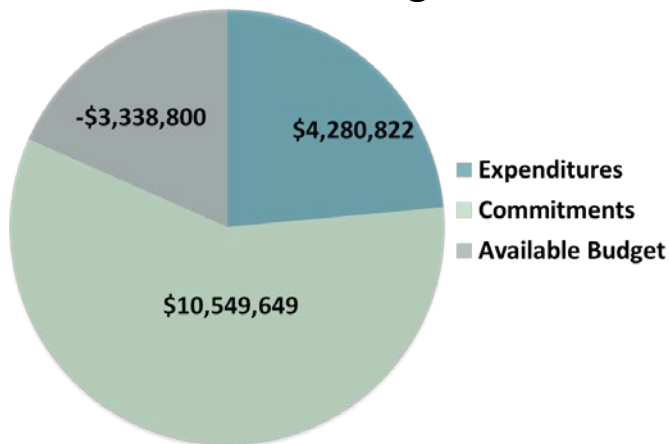
Pay for Performance – New Construction

- Received 5 applications (6 YTD)
- Approved 0 Energy Reduction Plans (4 YTD)
- Completed 0 projects (2 YTD)

Direct Install

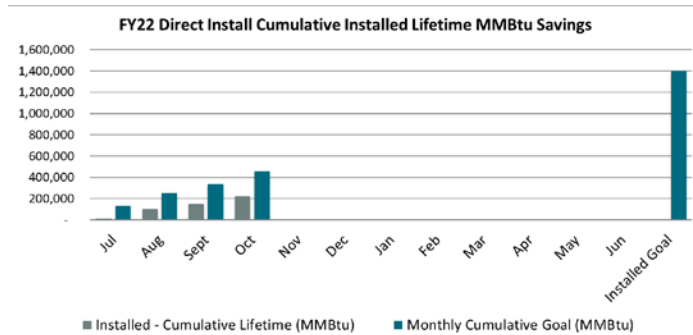
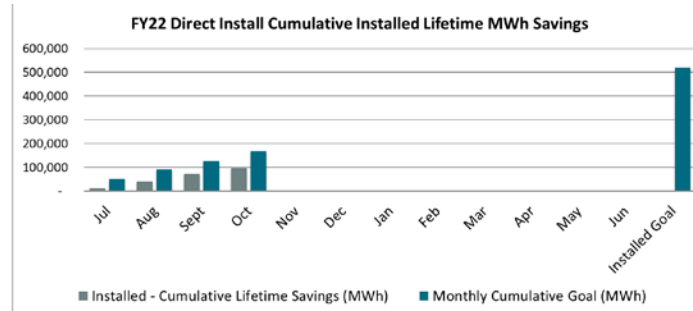
NJCleanEnergy.com

FY22 Incentive Budget: **\$11,491,671**



October Program Highlights

- Received 0 applications (0 YTD)
- Paid 29 applications (118 YTD)

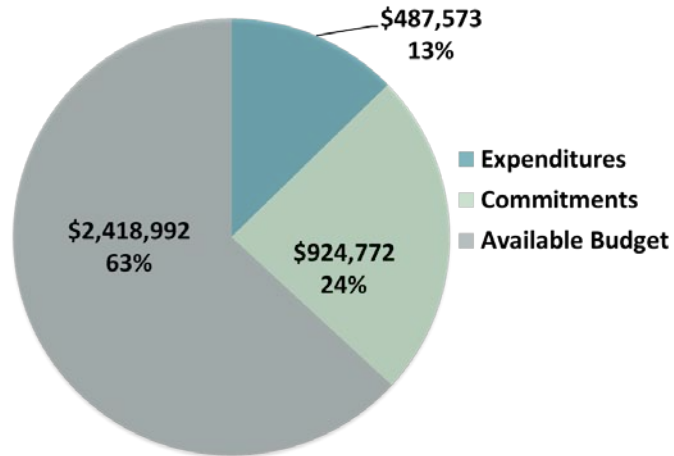


Note: Actual year-end FY21 commitments exceeded the estimated commitments used to develop the budget. The difference will be addressed in the FY22 true-up budget. The FY21 budget was not exceeded.

Local Government Energy Audit (LGEA)

NJCleanEnergy.com

FY22 Incentive Budget: **\$3,831,336**



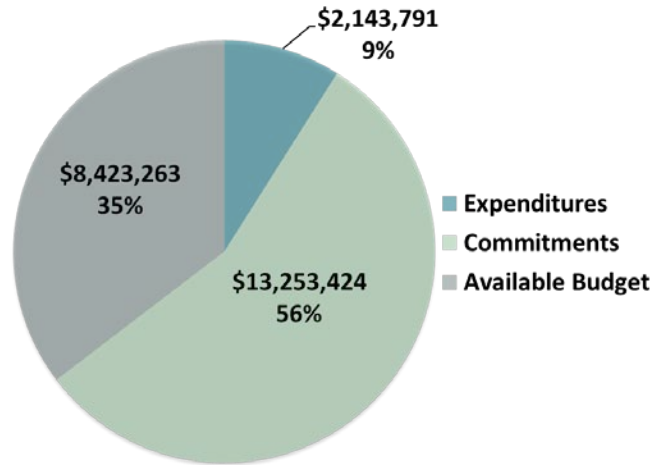
October Program Highlights

- Received 43 applications (102 YTD)
- Approved 16 applications (29 YTD)
- Audited approximately 547,038 square feet
- Held 5 Exit Meetings for 55 sites (including additional scopes)
- Delivered Final Audit reports on 38 sites (5 entity)

Distributed Energy Resources

NJCleanEnergy.com

FY22 Incentive Budget: **\$23,820,478**

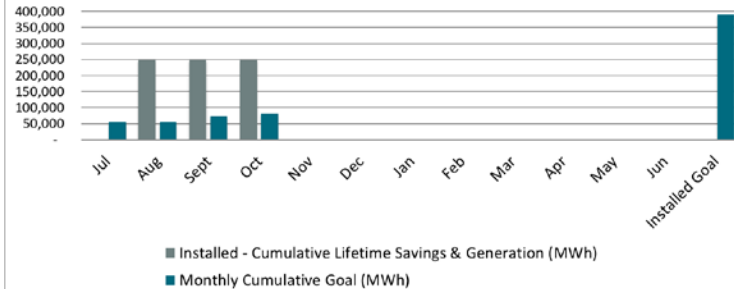


October Program Highlights

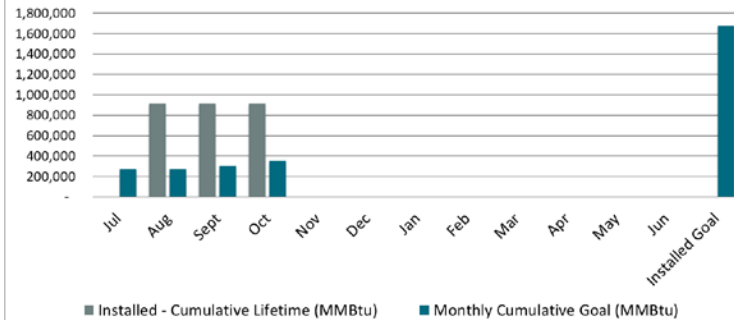
Combined Heat & Power (includes Fuel Cells)

- Received 0 applications (1 YTD)
- Approved 0 application (1 YTD)
- Completed 0 installations (3 YTD)

FY22 DER Cumulative Installed Lifetime MWh Savings & Generation



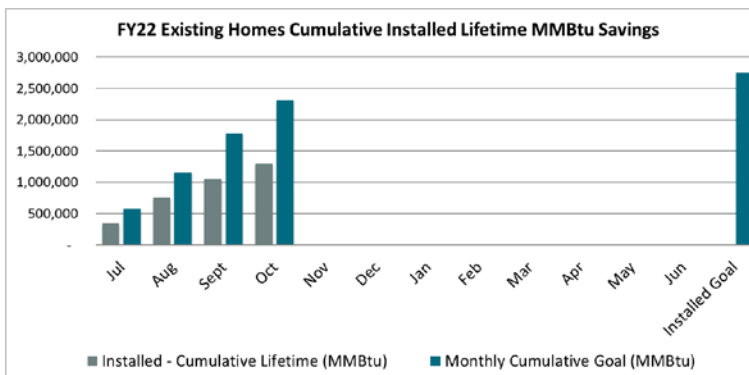
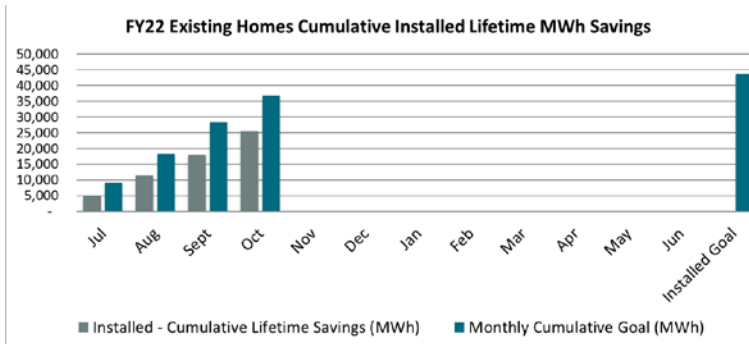
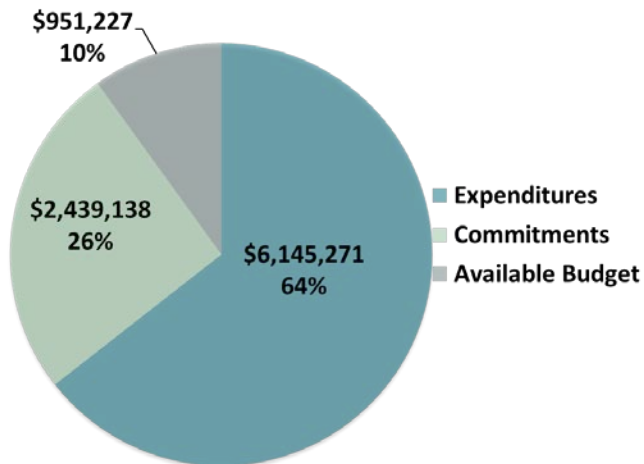
FY22 DER Cumulative Installed Lifetime MMBtu Savings



Residential Existing Homes

NJCleanEnergy.com

FY22 Incentive Budget: **\$14,935,636**



Residential Existing Homes

October Program Highlights

Heating, Ventilation and Air Conditioning (HVAC)

- Received 546 applications (4,033 YTD)
- Paid 1,372 applications (6,312 YTD)
- Delivered 0 HVAC training classes

Home Performance with ENERGY STAR® (HPwES)

- Received 0 enrollments (0 YTD)
- Completed 112 projects (1,101 YTD)
- Delivered 0 HPwES training classes

State Energy Funding (SEP) Funding Available* for oil, propane, municipal and coop electric customers:

- HVAC: \$ 253,497.64 remaining
- HPwES: \$ 368,966.70 remaining

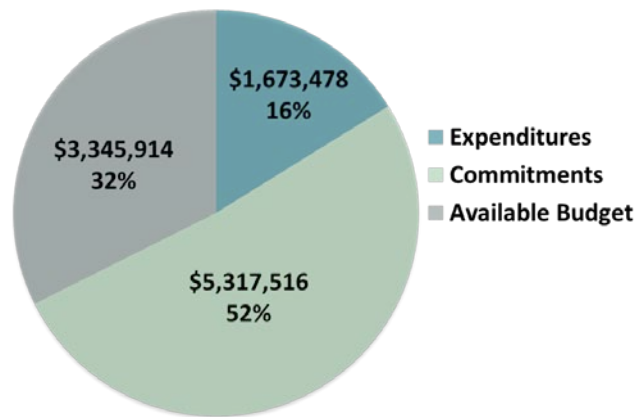
Contractor Cooperative Marketing Incentives:

- HVAC: \$ 8,799.20
- HPwES: \$ 0

Residential New Construction

NJCleanEnergy.com

FY22 Incentive Budget: **\$10,336,907**

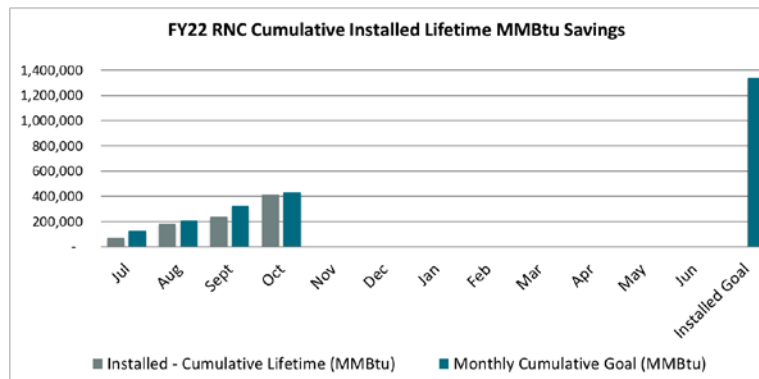
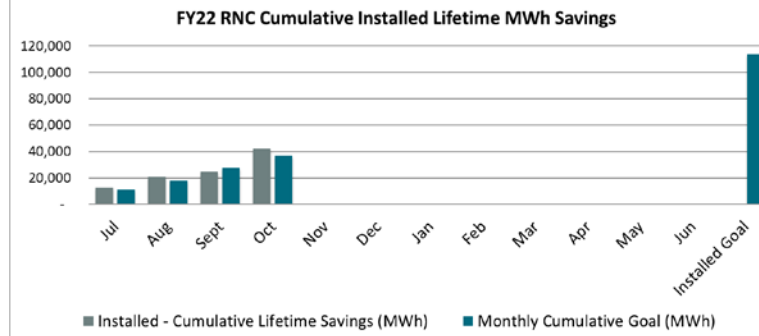


October Program Highlights

- Received 392 enrollments (999 YTD)
- Completed 551 projects (1,315 YTD)

Contractor Cooperative Marketing Incentives:

- RNC: \$ 0

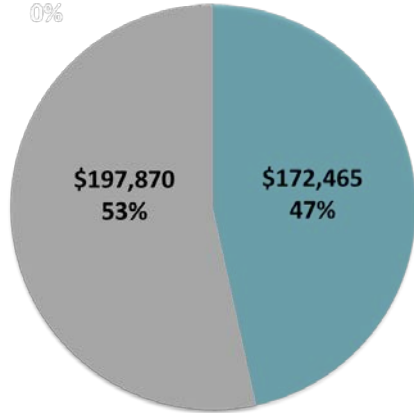


Energy Efficiency Products

NJCleanEnergy.com

FY22 Incentive Budget: **\$370,335**

\$0
0%

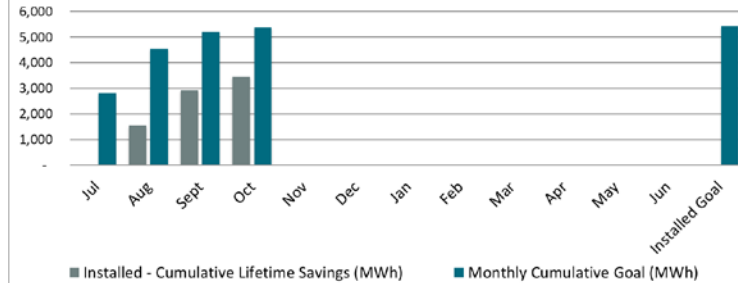


- Expenditures
- Commitments
- Available Budget

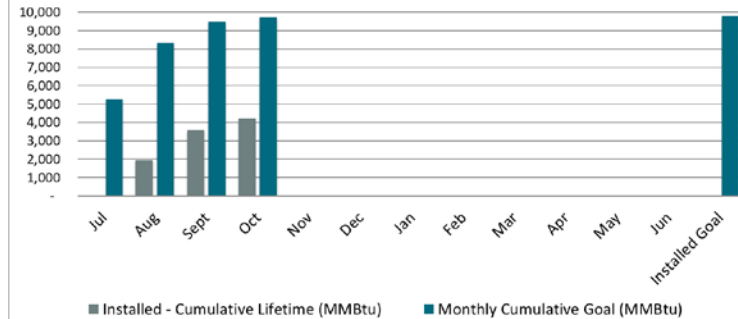
October Program Highlights

- Appliance Rebates: 987 completed
- Appliance Recycling: collected 0 units
- 0 retailer store visits were conducted in October

FY22 EEP Cumulative Installed Lifetime MWh Savings



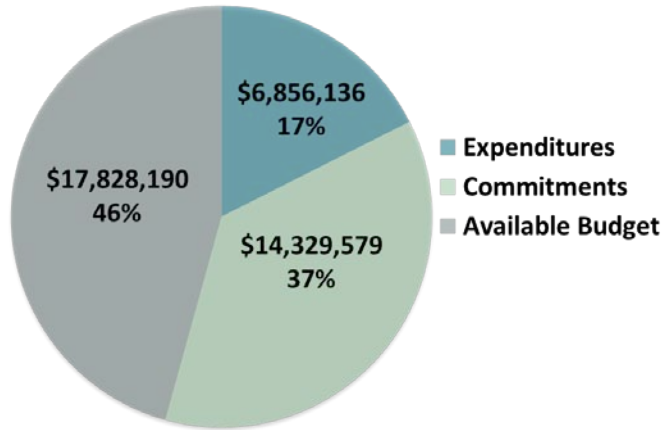
FY22 EEP Cumulative Installed Lifetime MMBtu Savings



Comfort Partners

NJCleanEnergy.com

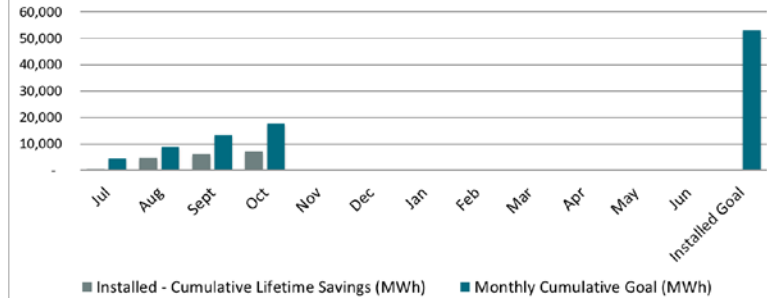
FY22 Incentive Budget: **\$39,013,905**



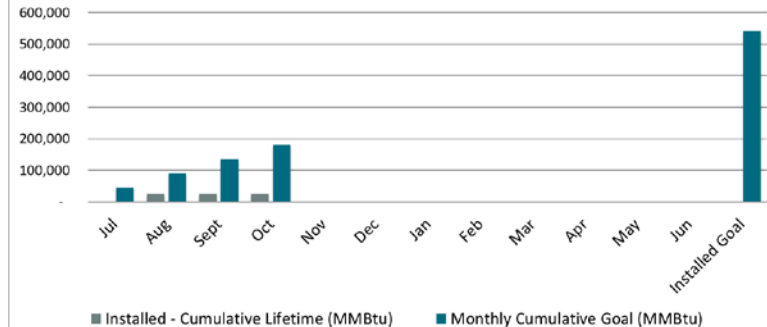
October Program Highlights

- Completed 310 projects (1,221 YTD)

FY22 Comfort Partners Cumulative Installed Lifetime MWh Savings



FY22 Comfort Partners Cumulative Installed Lifetime MMBtu Savings




School and Small Business EE Stimulus Programs

- Program launched October 7, 2021
- **Budget** - \$180 Million
- **Goal:** provide grants to boards of education and eligible small businesses for repair/installation of HVAC and plumbing fixtures and appliance.
- **Primary Focus:**
 - Air quality/air flow (COVID - driven)
 - Energy efficiency / water conservation
 - Assisting underserved communities

Program information posted on NJCEP website at:

<https://njcleanenergy.com/school-and-small-business-energy-efficiency-stimulus-program>

The background features abstract green geometric shapes, including triangles and polygons, in various shades of green, creating a modern and dynamic look.

Utility Updates

NJ Energy Efficiency Stakeholder Meeting

November 17, 2021

Reminders

- ▶ All of the utilities have launched the programs transitioning from NJCEP
- ▶ Reach out to utilities where you may be interested in doing business.
 - ▶ Explore the information they have posted and reach out if you have questions.
 - ▶ Sign up for any contractor updates if that is available.
 - ▶ Build your understanding of utility specific elements (e.g. financing options, online forms)
 - ▶ Some programs have specific contractor requirements and may require Participating Contractor Agreement
- ▶ Contact info for all utilities is captured NJCEP Transition page

Utilities appreciate your patience during this transition
Committed to updating FAQs and materials to provide clarity to
customers and contractors

Energy Efficiency Products Program

▶ HVAC Incentives

- ▶ Electric utilities have considered trade ally feedback regarding minimum eligibility for heat pumps and central AC systems
- ▶ Their review also included consideration of ENERGY STAR minimum efficiency standards
- ▶ Changes are in the final review stages

Look for an early December announcement from the utilities with more information on the changes.

Will also review at the December EE Stakeholder Meeting

Joint Petition- Budget Constraints

- ▶ Utilities have been working to resolve constraints among Lead and Partner utility budgets that presented challenges in supporting the market during this Triennial.
- ▶ On November 8th, the utilities submitted a joint letter petition with a proposal to allow for more flexibility for utilities to implement solutions that can help keep markets open and allow Lead Utilities to implement their approved Program Plans
 - ▶ Would allow a Lead Utility with available budget to cover a Partner Utility's fuel if a Partner Utility is not able to support the funding request within the existing flexibility provisions
 - ▶ Seeking interim approval to help address existing budget constraints for certain programs in some territories
- ▶ Board currently considering the procedural elements for this petition

**Request will be reviewed through defined procedural schedule.
Updates can be provided on any Board actions (e.g. interim authority) at future EE Stakeholder meeting.**

WORKING GROUP UPDATES



Working Groups



The following Working Groups were identified in the June 10, 2020 Board Order to refine the programs through the transition:

- **Workforce Development Working Group**
- **Equity Working Group** (Comfort Partners Subcommittee and Multifamily Subcommittee)
- **Evaluation, Measurement, and Verification Working Group** (Energy Codes and Standards Subcommittee)
- **Marketing Working Group**

Workforce Development Working Group



- Develop recommendations for establishing coordinated and collaborative workforce development and job training pathways statewide
- Focus on providing economic opportunities for underrepresented and socially or economically disadvantaged individuals



Equity Working Group



- Develop recommendations to integrate equity metrics and approaches in energy efficiency and peak demand reduction programs
- Collaborate with Supplier Diversity Development Council to encourage supplier diversity
- Encourage contractor coaching/mentoring of diverse enterprises

Comfort Partners Subcommittee: Oversee Comfort Partners Program and utilities' day-to-day operations

Multifamily Subcommittee: Design and manage delivery of multifamily sector with goals of equitable access and adequate program support

Evaluation, Measurement, & Verification Working Group



- Provide guidance and input on the planning and monitoring of EM&V plans (including activities, methodologies, budgets, priorities), policies, procedures, guidelines, requirements for program administrators (including data to be tracked and reported, such as GHG emissions reductions, BTU savings, local worker job-hours, supplier diversity), methods to account for strategic electrification, and schedules.
- Provide recommendations on development of a standard, transparent, and replicable approach for EM&V across the state, according to which the State and utilities will be held to the same accountability standards such as the frequency and transparency of reporting and vendor procurement requirements.
- Share associated data, track best practices from other jurisdictions, emerging EM&V approaches and facilitate the necessary stakeholder processes related to the State's EM&V policies.

Marketing Working Group



- Promote the programs, overall state brand (utilized by all program administrators), and the larger benefits of participation in EE and PDR programs. Engage in a collaborative effort in branding, messaging, and promotion of all utility- and State-led programs, including in the provision of program materials in Spanish and languages other than English. Staff shall leverage State resources to promote general awareness of EE and other clean energy opportunities in NJ while the utilities shall market specific programs and initiatives to customers in a more targeted fashion

General Q&A



To submit questions in advance for next month:
EnergyEfficiency@bpu.nj.gov

Items of Interest



Next Meetings



Energy Efficiency Stakeholder Meetings

NJCleanEnergy.com/StakeholderGroups/Energy-Efficiency

2021

December 22, 2021, 1-2:30pm

2022

3rd Thursday of the Month, 1-2:30pm

January 20, 2022	July 21, 2022
February 17, 2022	August 18, 2022
March 17, 2022	September 15, 2022
April 21, 2022	October 20, 2022
May 19, 2022	November 17, 2022
June 16, 2022	December 15, 2022

More Information

VISIT

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CONTACT

EnergyEfficiency@bpu.nj.gov

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