



FY2020 Notice of Changes

The New Jersey Board of Public Utilities, at its June 21, 2019, Board Agenda meeting, approved *New Jersey's Clean Energy Program's* Fiscal Year 2020 (FY20) Compliance Filings and FY20 Budget, which are effective July 1, 2019 through June 30, 2020.

On May 24, 2019, Staff hosted a webinar and presented an overview of the proposed new initiatives, along with program changes for FY20. On May 29, 2019, staff posted on the NJCEP website the following proposed FY20 documents: the draft CRA, the Board's Division of Clean Energy Compliance Filing, TRC Program Descriptions and Budgets, Utilities' Compliance Filing (collectively, the "Proposed FY20 Compliance Filings"), the Proposed FY20 Budget ("FY20 Budget"), and Summary of Proposed Program Changes for FY20. The distributions and postings requested comments on the draft CRA, Proposed FY20 Compliance Filings, FY20 Budget and Summary of Proposed Program Changes for FY20 with a due date of June 11, 2019. After careful consideration of the comments received, the Board approved the FY20 Proposals with the following changes:

Approved Fiscal Year 2020 Changes¹

- **Energy Storage:** The Energy Storage budget was reduced from the original proposed amount of \$7,565,000 by \$460,000 in order to reallocate funding to other programs. The total Energy Storage budget approved by the Board for FY20 is \$7,105,000.
- **Electric Vehicles:** A line item for Electric Vehicles was added to the "New Initiatives" budget and \$210,000 in funding which was received by the Board of Public Utilities as a grant from the U.S. Department of Energy has been added. The Board approved the grant at its April 18, 2019, Agenda meeting.
- **Smart Tech:** The Smart Tech Program proposed under "New Initiatives" has been removed from the Proposed FY20 Compliance Filings and FY20 Budget. Its proposed budget of \$8,152,103.65 has been reallocated to Residential Existing Homes.
- **Clean Energy Innovation:** The Clean Energy Innovation Program proposed under "New Initiatives" has been removed from the Proposed FY20 Compliance Filings and FY20 Budget. Its proposed budget of \$4,500,000 has been reallocated to Commercial and Industrial (C&I) and other programs.
- **Sustainable Jersey:** The FY20 budget proposed \$250,000 to Sustainable Jersey for its Energy Efficiency work with New Jersey Communities. Staff recommended a budget of \$500,000 which is consistent with their FY19 funding level.

¹ The changes in this notice are changes from the FY20 **Proposal** and do not include program changes from FY19. Only the program details or budgets that differ from the proposal released on May 29, 2019 are included.

- Fuel Switching Measures: The FY20 Compliance Filings proposed that any NJCEP applicant, other than one applying through the C&I Buildings Program's Whole Building Path, P4P EB or Comfort Partners Program, switching from oil, propane, or electric-resistance space or water heating will be eligible for HVAC-related incentives only for switching to a high-efficiency electric heat pump that is otherwise eligible for an NJCEP incentive. This proposal has been eliminated from the approved compliance filing and applicants switching from oil, propane or electric to natural gas will continue to be eligible for incentives under C&I and residential retrofit programs.
- SEER Requirements: The original proposal of a minimum 20 SEER requirement for the cold climate mini-split air source heat pumps, including multi-zone, ducted, and air-to-water systems is reduced to 18 SEER to allow for more high efficient products to be eligible.
- Home Performance with ENERGY STAR – The Direct Install Pilot: Staff proposed these measures to be eliminated due to low participation. However, staff recommends keeping the pilot program and focusing on enhancing outreach and education in order to increase participation.

Please visit New Jersey's Clean Energy website for the approved FY20 Compliance Filings at:
<http://www.NJCleanEnergy.com/FILINGS>.