

Request for Comments

To: Interested Stakeholders

From: Elizabeth Ackerman, Acting Director

Subj: Request for Comments on Proposed Modifications EE Program Budget

Date: June 2, 2014

By Order dated February 4, 2014 the Board authorized Staff to make modifications to NJCEP budgets provided certain conditions were met. Specifically, the Board authorized Staff to modify NJCEP budgets within a given Funding Category, such as EE, RE, EDA, etc., provided that the reallocation does not reduce a programs budget by more than 10% within any 60 day period.

The Order requires Staff to provide a written notice to each Commissioner at least seven days prior to implementing any budget modification which Staff has done. The Order also requires Staff to circulate proposed budget modifications for comment prior to implementing the proposed changes which is the purpose of this request for comments.

By email dated May 14, 2014, TRC notified Staff that it has experienced an increase in participation in the C&I Retrofit and C&I New Construction programs and that it is projecting a need for additional funds to meet anticipated participation through the remainder of the fiscal year. TRC requested the transfer of \$1,592,710 from the Pay-for-Performance (P4P) program and \$353,140 from the Large Energy User program (LEUP) with \$1,445,850 allocated to the C&I Retrofit program and \$500,000 allocated to the C&I New Construction program. TRC indicated that the proposed decrease to the P4P and LEUP budgets will have no adverse impact on its ability to meet current and future projected program commitments. All of the proposed transfers are to or from the Rebate, Grants and Other Direct incentives budget category.

The following table compares expenses and commitments to budgets for the programs noted above:

Table 2:

Program	Expenses	Outstanding Commitments @ 05/14/14	Total Expenses + Commitments	Budget	Expenses + Commits/Budget
New Construction	\$ 577,333.71	\$ 1,254,807.28	\$ 1,832,140.99	\$ 2,192,226.30	84%
Retrofit	\$ 18,493,774.35	\$ 28,973,064.69	\$ 47,466,839.04	\$ 50,293,828.21	94%
Pay for Performance	\$ 8,704,678.57	\$ 22,480,790.95	\$ 31,185,469.52	\$ 42,472,273.75	73%
Large Energy Users	\$ 3,365,149.25	\$ 11,141,797.89	\$ 14,506,947.14	\$ 26,353,781.83	55%
Total	\$ 30,563,602.17	\$ 62,595,653.53	\$ 93,159,255.70	\$ 119,119,883.79	

The following table shows the budget previously approved by the Board or as modified by Staff pursuant to the Board's February 4th Order, the proposed transfer, the proposed budget, the amount of the proposed transfer as a percentage of the program budget and the date of last transfer which indicates the date that Staff authorized a transfer in accordance with the Board's

February 4th Order (no date indicates that Staff has not reduced the budget previously approved by the Board).

Table 1:

Program	3rd Revised FY 14 Budget	Transfer	Proposed Budget	% of Budget	Date of Last Transfer
New Construction	\$ 2,192,226.30	\$ 500,000.00	\$ 2,692,226.30	22.81%	5/5/2014
Retrofit	\$ 50,293,828.21	\$ 1,445,850.00	\$ 51,739,678.21	2.87%	n/a
Pay for Performance	\$ 42,472,273.75	\$ (1,592,710.00)	\$ 40,879,563.75	-3.75%	5/5/2014
Large Energy Users	\$ 26,353,781.83	\$ (353,140.00)	\$ 26,000,641.83	-1.34%	n/a
Total	\$121,312,110.09	\$ -	\$ 121,312,110.09		

Comments regarding the proposed budget modification should be submitted to:

publiccomments@njcleanenergy.com

by COB June 9, 2014 with the subject heading “Proposed Modifications to the EE Program Budget.”