



On January 17, 2012, Governor Christie signed a bill (“Act”) that allows commercial and industrial (“C&I”) ratepayers to claim a credit against their payments due under the Societal Benefits Charge (“SBC”) for the costs of certain energy efficiency products or services. The Act allows C&I ratepayers a credit against their annual SBC contributions of up to one-half of the costs incurred for the purchase of SBC-supported energy efficiency (“EE”) products and services subject to approval of the New Jersey Board of Public Utilities (“Board”). The credit can be carried over for up to ten additional years if the Board approved amount of the credit exceeds the C&I ratepayer’s total annual SBC contribution for that year.

To assist in creating the necessary procedures to implement the Act, Board staff requests that interested stakeholders answer one or all of the questions below.

#### General Questions

- Should C&I ratepayers be able to access the SBC credit as well as SBC funded Clean Energy energy efficiency rebate programs at the same time in the same year?
- If they can only access the credit or rebate one at a time should there be some time limit for accessing either the credit or the Clean Energy incentives? As an example: If the C&I ratepayer received an energy efficient rebate last year should that be deducted from the credit? Is there a timeframe for this look back? Can the C&I ratepayer apply for a Clean Energy rebate the next year following the year in which a credit was sought? Is there a timeframe for when the customer can apply for a NJCEP rebate after receiving the credit?
- How should the Board determine which energy efficiency products and services for C&I ratepayers should qualify for the credit?
- Should the array of Clean Energy programs and current structure under the SBC change or stay the same with the introduction of the C&I ratepayer opportunity to receive credit?

- The Act also requires that the amount of the credit “shall be determined by the board.” What process should the Board use to review and approve any requests for a credit?
- The Act states that the C&I ratepayer “shall be allowed a credit against the societal benefits charge.” The SBC funds a number of societal programs in addition to the Clean Energy funds for energy efficiency. These other programs have nothing to do with energy efficiency, and the Board may have little discretion in funding them. To the extent that some of the other SBC programs, like the Universal Service Fund, Lifeline, nuclear decommissioning and manufactured gas plant remediation costs are nondiscretionary, how should the funding of these nondiscretionary programs be achieved if there is a reduction in the total SBC from the energy efficiency SBC credit? Please explain.

#### **For the Utilities**

- Please explain how the utilities track SBC information currently, whether this would change with the implementation of the new credit, and if so, how.
- What changes, if any, need to be made to utility billing systems to accommodate implementation of this law? Please provide the estimated cost of any systems or changes to systems needed to implement this law.
- Please provide a list of the SBC charge paid by the top 25 C&I customers who pay the highest SBC, without listing the C&I customer’s name. Since the names of the customers are not being provided we are requesting that the utilities, to the extent possible, match their gas list with the corresponding electric list to see if a large gas customer is also a large electric customer.
- Also provide the total SBC collected in the last CY from C&I customers.