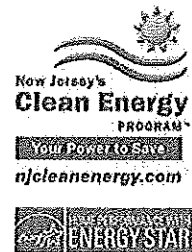


April 26, 2010



Dear Homeowner(s):

On behalf of the New Jersey *Home Performance with ENERGY STAR*<sup>®</sup> program and *New Jersey's Clean Energy Program*<sup>™</sup>, this letter is to notify you of program changes that went into effect on April 26, 2010.

Due to an overwhelming response, the *Home Performance with ENERGY STAR* program has been modified. In this time of tight budgets, the Board of Public Utilities has recently adopted an increase in this program's overall budget. Even with this increase, changes were necessary to stretch budget dollars and support as many participants as possible. To that end, some features have changed and incentives have been re-aligned.

The New Jersey *Home Performance with ENERGY STAR*<sup>®</sup> program changes are as follows:

- Program energy savings requirements to qualify for incentives have changed from evaluating only heating use to now addressing your overall total household energy use.
- Comprehensive Work Completion
  - 10% cash incentive, up to \$2,000\* or 5.99% low interest loan if estimated total energy savings are greater than 5% and less than 25%
  - Projects submitted prior to April 26, 2010: 50% cash incentive up to \$10,000 and 0% interest loan if estimated total energy savings are 25% or greater.
  - Projects submitted after April 26, 2010: 50% cash incentive up to \$5,000 and 0% interest loan if estimated total energy savings are 25% or greater.
- Comprehensive Work Completion for Income Qualified Participants (*Income levels between 225% and 400% of Federal Poverty Guidelines*)
  - Projects submitted prior to April 26, 2010: 50% cash incentive up to \$10,000 and 0% interest loan if estimated total energy savings are greater than 5% and less than 25%
  - Projects submitted prior to April 26, 2010: 75% cash incentive up to \$10,000 and 0% interest loan if estimated total energy savings are 25% or greater.
  - Projects submitted after April 26, 2010: 50% cash rebate up to \$5,000 and 0% interest loan if estimated total energy savings are greater than 5%.
- Projects submitted prior to April 26, 2010 and not achieving the new required levels of total energy savings have 30 days from the date of notification to submit a revised contract with additional measures.

Your contractor will explain to you how you can achieve 25% total energy savings to qualify for the new incentive level. Achieving 25% total household energy savings will benefit you as a customer; it will reduce your monthly energy bills as well as help the State of New Jersey achieve its state-wide energy goals to reduce overall energy use. The *Home Performance with ENERGY STAR* program remains an attractive program not just in the Northeast, but in the entire nation.

If your contractor has contacted you to discuss your project, please understand that the program has recently changed and keep in mind that the New Jersey *Home Performance with ENERGY STAR* program can still provide you with a more comfortable house, great financing opportunities and tremendous savings benefits for the life of your home.

If you have any questions regarding the program, please contact our call center at 866-NJSMART.

Sincerely,

Janja Lupse  
NJ Program Director  
*Home Performance with ENERGY STAR*  
*New Jersey's Clean Energy Program*<sup>™</sup>  
c/o Conservation Services Group