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April 24, 2023

VIA E-MAIL

Sherri Golden, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0359

Re: In the Matter of Petition of Public Service Electric and Gas Company for Approval of its Energy Efficiency Clean Energy Future – Energy Efficiency Program and Recovery of Associated Costs (“CEF-EE”), BPU Dockets GO18101112 and EO10121113

Notice of Transfer of Funds

Dear Secretary Golden:

Please allow this letter to serve as notice of budget reallocations among Clean Energy Future – Energy Efficiency (“CEF-EE”) program sectors and subprograms, as specified below. Public Service Electric & Gas (“PSE&G” or the “Company”) is providing this notice in accordance with the established Staff Notification requirements for shifting sub-program budgets within a sector, as detailed on page seven of the Board’s September 23, 2020 Order Adopting Stipulation (“CEF-EE Stipulation”).¹

On June 10, 2020, the New Jersey Board of Public Utilities (the “Board”) issued an Order that directed each electric and gas public utility in the State of New Jersey to establish energy efficiency and peak demand reduction programs pursuant to the Clean Energy Act of 2018. In accordance with the June 10, 2020 Order, the CEF-EE Stipulation provides flexibility in the administration of the EE subprograms by allowing PSE&G to shift its sub-program budgets out of an individual sub-program within the Residential sector or within the C&I sector, up to 25% of the individual sub-program’s total budget with Staff notification (which should be provided within 30 days following the change), 25-50% with Staff approval, and over 50% with Board approval. The CEF-EE Stipulation identifies the subprogram budgets for the program’s first triennial.

¹ Order Approving Stipulation, In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future- Energy Efficiency (“CEF-EE”) Program on a Regulated basis, BPU Docket Nos. GO18101112 and EO10121113).

On September 20, 2022, PSE&G filed a letter petition requesting an extension of its current CEF-EE Program (“CEF-EE Ext”), which requested additional funding required to continue offering the CEF-EE subprograms for an additional nine months, through June 2024, and seeks approval for adjustments to current budget allocations as reflected in the filing.² On December 8, 2022, PSE&G filed a letter with the Board notifying Staff of certain budget reallocations not reflected in the CEF-EE Ext filing.

While the CEF-EE Ext filing is pending before the Board, PSE&G requires certain additional budget adjustments to ensure that all subprograms continue uninterrupted and remain adequately funded. Specifically, the Residential Existing Homes subprogram has experienced rapid ramp up and strong customer interest, while the Income Eligible subprogram enrollments have been slower to ramp up due to longer customer decision-making cycle times.

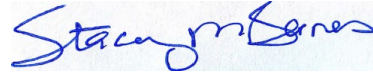
The Company has updated the program budgets as in the column labeled “April Reallocation” reflected in the following table. Also reflected in the table are previously transferred amounts between and within sectors. The current transfer is within the limit permitted by the CEF-EE in accordance with the established Staff notification requirements. Once approved, the CEF-EE Ext filing will restore the funding in the Income Eligible subprogram.

Program Component	CEF-EE I Approved Budget (Sep 2020)	December Reallocation	April Reallocation (Current Reallocation Notice)	CEF-EE I Revised Budget April 2023)	Cumulative Subprogram % Reallocation	Sector % Change
Residential Efficient Products	\$ 140,000,000	\$ 27,900,000	\$ -	\$ 167,900,000	19.9%	11.9%
Residential Existing Homes	\$ 55,000,000	\$ 10,000,000	\$ 8,000,000	\$ 73,000,000	32.7%	
Residential Behavior	\$ 25,000,000	\$ (4,000,000)	\$ -	\$ 21,000,000	-16.0%	
Residential Multifamily	\$ 9,000,000	\$ -	\$ -	\$ 9,000,000	0.0%	
Income Eligible	\$ 55,000,000	\$ -	\$ (8,000,000)	\$ 47,000,000	-14.5%	
C&I Prescriptive	\$ 210,000,000	\$ -	\$ -	\$ 210,000,000	0.0%	-4.9%
C&I Custom	\$ 100,000,000	\$ (24,900,000)	\$ -	\$ 75,100,000	-24.9%	
C&I Small Non-Resi Efficiency (i.e. DI)	\$ 165,000,000	\$ (9,000,000)	\$ -	\$ 156,000,000	-5.5%	
C&I Energy Management	\$ 6,000,000	\$ -	\$ -	\$ 6,000,000	0.0%	
C&I Engineered Solutions*	\$ 204,675,838	\$ -	\$ -	\$ 204,675,838	0.0%	
IT*	\$ 34,171,822	\$ -	\$ -	\$ 34,171,822	0.0%	
Total Investment	\$ 1,003,847,660	\$ -	\$ -	\$ 1,003,847,660	0.0%	0%
* Reflects revised approved budgets in accordance with Decision and Order Approving Stipulation, I/M/O The Public Service Electric and Gas Company for Approval of Changes in its Electric Green Programs Recovery Charge and its Gas Green Programs Recovery Charge (“2021 PSE&G Green Programs Cost Recovery Filing”), BPU Docket Nos. ER20170965 and GR21070966.						

² In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future-Energy Efficiency (“CEF-EE”) Program on a Regulated basis, BPU Docket Nos. GO18101112 and EO1012113, Letter Petition dated September 22, 2022.

Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Stacey M. Barnes". The signature is written in a cursive, flowing style.

Stacey M. Barnes

cc: Service List (via email)