1. The Administration unveiled the new Energy Master Plan early this year. It has ambitious goals, including 100 percent clean energy by 2050. The 2018 Clean Energy law establishes ambitious new requirements for Class I renewable energy, but then sets a cap on how much the Class I energy requirement can cost ratepayers.

- **Is New Jersey close to triggering the cap?**

The Board does not believe that the State is close to triggering the cap, but it is actively monitoring the activity in all aspects of New Jersey's Class I Renewable Portfolio Standard ("RPS") compliance to avoid such an event. Chapter 448, Laws of 2019, amended the cost cap on Class I RPS to allow unused cost cap in one energy year to be utilized in future energy years in certain circumstances from energy years 2019 through 2024. Provided with this flexibility, the Board does not estimate that the State will exceed the cost cap within this period. The Board also has several open proceedings relating to how much solar can be purchased while respecting the cost cap, as well as a proceeding examining the cost cap calculation.

Additionally, the Board has taken several actions to reduce the potential for cost cap exceedance. These include:

- Amending the Class I RPS to make the Solar Renewable Energy Certificate ("SREC") obligation in a given year a carve-out of that year's total Class I requirement. This reduces the number of Class I RECs that must be retired by each Local Service Entity ("LSE") without impacting the State's renewable energy goals; and
- Structuring the new Transition Incentive program as a factored Transition Renewable Energy Certificate ("TREC"). This provides different levels of incentive by project type to reflect the gap between anticipated revenues and costs experienced by projects in distinct market segments.

- **What programs would the Board cut in order to stay under the cap?**

The State is not close to triggering the cap, and as such the Board is not considering cutting any programs at this time. The Board is prepared to take appropriate measures should they become necessary following ongoing monitoring of the cost cap.

2. One of the major mandates in the clean energy law is that the BPU determine how to replace the SREC program. Please provide an update on your progress with the solar transition.

The Board of Public Utilities has been working diligently to replace the SREC program since the passage of the Clean Energy Act in 2018. The Act directed the Board to begin the "Solar Transition" by closing the SREC Registration Program ("SRP") to new registrations upon the State's attainment of 5.1% of kilowatt hours sold in the State being sourced from solar electric generation facilities (the "5.1% Milestone"). This Milestone was attained on April 30, 2020, and the SREC program was immediately closed to new registrants.

The Act also requires that the Board complete a study that evaluates how to replace or modify the SREC program in order to encourage the continued efficient and orderly development of solar renewable energy generating resources throughout the state. The Board has conducted the Solar Transition in two phases:

1. A Transition Incentive ("TI") Program established in December 2019 following significant stakeholder engagement, to serve as a bridge between the Legacy SREC program and a successor incentive; and
2. A Successor Program, including completion of the research required by the Act, currently in development.

On December 6, 2019, the Board established the TI Program to provide a bridge between the Legacy SREC Registration Program and the Successor Program. The Transition Incentive Program opened to new registrations on May 1, 2020 and will remain open until the Successor Program opens for registration. Comprised of fixed-price, factorized Transition Renewable Energy Certificates ("TRECs"), the TI Program is managed day-to-day by a TI Incentive Administrator engaged by the State's Electric Distribution Companies. The TI Program allows the State's solar program to continue to thrive while the Board completes the stakeholder engagement necessary to create the optimal successor program to the SRP. In addition, the Board has developed rules for the Transition Incentive program. A rule proposal was published in the New Jersey Register on May 18, 2020; following the 60-day public comment period, the Board approved the adoption of these rules at its September 9, 2020 Agenda meeting.

The Board is simultaneously developing a Successor Program, including completion of the study required by the Act. The Board engaged Cadmus Group, LLC ("Cadmus") to conduct modeling, analysis, and stakeholder engagement on the Solar Transition and to present their findings in a Capstone Report. Staff released the Draft Capstone Report on August 11, 2020 (updated on August 21, 2020 with an extension to the comment deadline), together with a modeling inputs Excel spreadsheet developed by Cadmus for the Capstone Report, a Systems Advisor Model ("SAM") inputs file, and instructions on how to download and use this file in SAM. The comment period on the Draft Capstone Report closed on September 8, 2020 and after review and incorporation of the feedback as appropriate, Staff anticipates the release of a final Capstone Report this Fall 2020.

The Solar Transition Draft Capstone Report can be accessed electronically at https://njcleanenergy.com/files/file/NJ%20Solar%20%20Draft%20Capstone%20Report%202020-08-11.pdf. Further details regarding the Solar Transition process are available on the Clean Energy Program website at https://njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-proceedings.

3. Please provide an update on implementation of the Offshore Wind Economic Development Act.

The Board has undertaken numerous actions in order to implement the Offshore Wind Economic Development Act ("OWEDA"). The Board promulgated rules under N.J.A.C. 14:8-6.1 et. sec. for offshore wind ("OSW") application requirements and the project funding mechanism.

In September 2018 the Board issued a solicitation for 1,100 MW of offshore wind. In June 2019 the Board issued an award to Ørsted's 1,100 MW Ocean Wind project, which is anticipated to begin operation as early as 2024. In order to meet the Governor's goals, the Board issued a second OSW solicitation in September 2020, for 1,200 to 2,400 MW of OSW energy. The project(s) ultimately selected from this solicitation are expected to be operational in 2027.

The Board has additionally developed a solicitation schedule which was announced by the Governor to meet the New Jersey OSW goal of 7,500 MW by 2035:

Proposed OSW Solicitation Schedule through 2035

Solicitation	Capacity Target MW	Issue Date	Submittal Date	Award Date	Estimated Commercial Operation Date
1	1,100	Q3 2018	Q4 2018	Q2 2019	2024
2	1,200	Q3 2020	Q4 2020	Q2 2021	2027
3	1,200	Q3 2022	Q4 2022	Q2 2023	2029
4	1,200	Q2 2024	Q3 2024	Q1 2025	2031
5	1,400	Q2 2026	Q3 2026	Q1 2027	2033
6	1,400	Q1 2028	Q3 2028	Q1 2029	2035

Additionally, in September 2020, the Board issued an OSW Strategic Plan to serve as a roadmap to achieve the State's OSW goal. This document can accessed electronically at https://www.nj.gov/bpu/pdf/Final_NJ_OWSP_9-9-20.pdf.

How close are we to actually generating wind power offshore?

The Ørsted Ocean Wind project approved by the Board to generate 1,100 MW is scheduled to commence commercial operations as early as 2024.

Please provide information the new Wind Innovation and New Development (WIND) Institute and its efforts to support development of offshore wind.

In August 2019, Governor Murphy signed Executive Order No. 79, establishing a Council for the Wind Innovation and New Development ("WIND") Institute, charged with developing and implementing a plan to create a regional hub for New Jersey's burgeoning offshore wind industry and build upon the Murphy Administration's commitment to making New Jersey a national leader in offshore wind. The Council includes representatives from the Office of the Secretary of Higher Education, the New Jersey Economic Development Authority, the Board of Public Utilities, the Department of Education, the Department of Environmental Protection, and the Department of Labor and Workforce Development.

On April 22, 2020, the Council released a report which can be accessed here - http://d31hzlhk6di2h5.cloudfront.net/20200422/dd/86/6f/a9/5f2179b012cf528b9ba354c1/Wind_Council_Final_Report_2020.04.21.pdf.

The mission of the WIND Institute is to coordinate and galvanize cross-organizational workforce and innovation efforts to position New Jersey as a leader in offshore wind. To that effect, the Board has agreed to provide the New Jersey Economic Development Authority ("EDA") with $4.5 million to support their efforts to develop and deliver the following WIND Institute programs that will empower New Jerseyans to participate in the offshore wind industry:

- Execution of a competitive grant solicitation to develop a Global Wind Organization safety training program and facility in New Jersey;
- Development of a best-in-class wind turbine technician training program;
- Creation of a plan to establish pathways into the offshore wind industry for New Jersey students and workers, driven by a cross-governmental working group to be coordinated by NJEDA; and
- Design and deliver a workforce development seminar that will provide local stakeholder groups with insight into the industry's workforce development needs.

4. The BPU has announced that it will use the Clean Energy Fund to help launch a Green bank, which will leverage private and public dollars to create jobs and support clean energy and economic development programs.

- **Please provide details on the proposed Green Bank.**

One of the goals of outlined in the 2019 Energy Master Plan was the exploration of creating of a New Jersey Green Bank to help increase the amount of private capital flowing to important clean energy projects and innovations. Both public and private capital will be necessary for the State to achieve its clean energy goals, and a Green Bank could serve as a crucial tool by leveraging public dollars to grow private sector investment. Such a funding mechanism can help grow the clean energy economy faster while reducing impacts to ratepayers and taxpayers.

In April 2020 the State released the Regional Greenhouse Gas Initiative (RGGI) Strategic Funding Plan which can be accessed here: https://www.state.nj.us/rggi/docs/rggi-strategic-funding-plan.pdf. Initiative Four of the plan is the creation of the New Jersey Green Bank. Under the proposal, the New Jersey Economic Development Authority ("EDA") will fund the Green Bank using monies received from RGGI.

- **Would it be more efficient to expand the role of the existing Infrastructure Bank, rather than create a separate bank?**

The current plans for the creation of a Green Bank do not house it within the jurisdiction of the Board. As currently known to the Board, the Infrastructure Bank and the Green Bank will have complementary but not overlapping missions.

5. Chapter 362, Laws of 2019 establishes a goal of 330,000 electric vehicles on the road by 2025, incentivized by a significant rebate program. The program is paid for with a $30 million appropriation in FY 2020 and a proposed $30 million appropriation in FY 2021, both from the Clean Energy Fund. Has the rebate program been slowed or impeded during the current public health emergency? Are rebates for residential charging available yet?

Following the Governor's unveiling the new Charge Up New Jersey program in January 2020, the Board launched the website for the electric vehicles ("EVs") incentive program in May 2020. Since that time nearly $10 million and over 1,900 incentives have been provided to New Jersey residents purchasing or leasing EVs. Information on the program can be accessed electronically at https://chargeup.njcleanenergy.com/

Currently, the program provides an incentive after the purchase or lease of a new eligible EV, and requires the customer to provide certain documentation in order to receive the incentive. The Board anticipates launching the point-of-sale incentive in Fall 2020. This second phase of the program will further streamline the process and enable customers to receive the incentive at the time of purchase.

Upon the launch of the point-of-sale incentive, the Board will then begin work on the residential charging station incentive. The development of this infrastructure incentive will include a comprehensive public stakeholder process that we envision occurring in 2021.

A furlough of workers in July has delayed the processing of invoices for the incentive program. While no incentives have been delayed longer than 120 days stipulated by the program's Terms and Conditions, customers have been following up on payment for their approved incentives. The Board is currently working with the Office of Management and Budget ("OMB") to process those invoices so that the incentives may be sent to residents in a timely manner.

6. Have you assessed the impact on the market of imposing a sales tax on electric vehicles over $40,000? If so, please share your conclusions. Have you assessed the impact on the market of imposing a fee for vehicle miles traveled on electric vehicles? If so, please share your conclusions.

At this time the Board of Public Utilities has not assessed the potential impact on the market of imposing a sales tax on EVs over $40,000, nor has it assessed the potential impact on the market of imposing a fee for vehicles miles traveled on EVs. However, we would expect those changes to make purchasing an EV less attractive to consumers. Depending on the size of the tax, it could negate any benefit the incentive program offers to potential EV consumers.

7. On August 21, 2020, Governor Murphy announced financial assistance to protect residential and commercial utility customers from shutoffs during the COVID-19 pandemic until October 15th. The announcement did not provide details on how BPU plans to help residential and commercial utility customers, or how it plans to help most of state's water customers.

- **Please describe in detail how BPU plans to help avoid shutoff until October 15th.**

The regulated water, gas, and electric utility companies under Board jurisdiction have voluntarily agreed to postpone shutoffs for residential and commercial customers until October 15. Board Staff, principally through its Division of Customer Assistance with the assistance of staff from Communications, Energy, and Water, are closely monitoring the utility collection activity in a variety of ways. Based on a review of the calls received by the Board from customers, municipal officials, community leaders, customer advocates and other interested stakeholders, the utilities have consistently upheld their voluntary shutoff moratoria. Staff will continue to scrutinize utility shutoff activity through the end of the moratoria and after October 15.

The Board and the utilities are trying to help customers avoid shutoffs beyond that date in several ways. For example, the Board and the utilities are ramping up communication efforts to educate customers about various assistance programs, using social media, websites, bill messages, postcards, letters, and telephone calls. These efforts include information about the availability of enhanced Deferred Payment Agreement ("DPAs"), which can spread out the past due balances over 12-24 months with no down payment. These terms are much more generous than what is offered in the current regulations.

In addition, the Winter Termination Program ("WTP") program will begin on November 15 and will protect certain residential customers from shutoff. The protected categories include anyone "who cannot pay their utility bill due to circumstances beyond their control", which can include unemployment, underemployment, sickness, etc. Customers should contact their utility company in order to become enrolled in a DPA and also seek enrollment in an assistance program which covers anyone from zero income up to over $118K in income a year for a household of four.

There are a variety of methods that utility customers can use in order to obtain information on assistance programs, including:

- Calling their utility company at the number on their bill;
- Self-screen for USF and LIHEAP as well as numerous other assistance programs on the Department of Community Affairs' DCAID website: nj.gov/dca/dcaid. As of October 1, the public will be able to apply for USF and LIHEAP online from any device, over the phone, via email, via mail, fax or in person by appointment by going to the DCAAID website. More information about USF and LIHEAP is available at: www.energyassistance.nj.gov.
    - Those enrolled in Lifeline utility assistance or NJ SNAP are automatically screened for USF and LIHEAP eligibility and do not need to fill out a separate application unless requested.

- The public can read about other energy assistance programs including USF and LIHEAP on the BPU website: www.nj.gov/bpu/assistance/programs
- Two energy utilities offer their own assistance programs that are not listed on our website: ACE Helping Hands and NJNG Gift of Warmth.
- NJSHARES offers energy, water (NJ American and Suez customers) and telecommunication (Verizon) assistance programs at: www.njshares.org
- If a customer has exhausted all state and federally funded programs, they can self-screen at www.nj211.org for local grant programs, such as Catholic Charities or Salvation Army.
- The utility customer bill of rights is available at: www.nj.gov/bpu/assistance/rights
- Our 2019-2020 Energy Assistance brochure is available here: https://www.nj.gov/bpu/pdf/custassistance/2019_2020%20Energy%20Assistance%20brochure%20(English).pdf. The 2020-2021 brochure will be available in the near future.

- **What amount of funding has been allocated for BPU programs in FY2021 geared towards helping low-income and moderate-income customers?**

In total, $205 million has been allocated for energy assistance in FY2021:

- The estimated budget for Universal Service Fund ("USF") program this upcoming year is approximately $124 million (up $5 million from last year);
- The cost of the Lifeline Utility Assistance Program is estimated to be $76.4 million;
- The Payment Assistance for Gas and Electric ("PAGE") program budget is estimated at $5 million

- **How many households does BPU estimate could lose service once the moratorium is lifted?**

The Board does not currently have an estimate. However, the utility companies have maintained that their focus is educating customers about the availability of assistance programs and enhanced DPAs. After October 15, the utilities have stated that they do not expect any customer who contacts the utility, or responds to a utility contact, to lose service if the customer makes a good faith effort to enroll in an assistance program and/or set up a DPA. Further, as noted above, the Board's regular WTP starts on November 15.

- **What process has BPU used to measure the level of financial assistance needed for the State's utility customers facing loss of service.**

In partnership with the Department of Community Affairs ("DCA"), which administers the bulk of these assistance programs, the Board has employed a number of methods of measuring the level of financial assistance needed for the State's utility customers facing loss of service, which differ among the various assistance programs. For example, USF is fully funded by the Societal Benefits Charge ("SBC") which are charges on any electric kilowatt-hours and gas therms sold in the State. To determine the USF rate, the Board analyzes historic and estimated benefit levels, program costs, jurisdictional volumes, weather, and anticipated gas and electric sales. Any over- or under-recovery is trued up in the next rate filing, but everyone who applies for USF and qualifies will receive the benefits. Additionally, the PAGE budget is based on historical averages.

- **To what extent has it included community input? Have the discussions or negotiations with BPU and the utility sector included community input? If so, how?**

For both the USF and Lifeline programs, public hearings are part of the process. Board Staff participates in monthly calls with the utility customer assistance leads and DCA. While DCA is the primary interface with local community organizations, Board Staff has maintained a dialogue with various advocates throughout the public health emergency.

- **Under what circumstances would BPU consider extending the moratorium to December 31st?**

The utilities instituted, and have since extended, the voluntary shutoff moratoria, which are currently expected to end October 15. This provides an approximately 30-day window until the Winter Termination Program (WTP) commences. The WTP states that from November 15 through March 15, regulated electric or gas utilities may not discontinue service to residential customers who are covered by the following eight protected categories:

1. Recipients of benefits under the Lifeline Credit Program;
2. Recipients of benefits under the Federal Home Energy Assistance Program (“HEAP”), or certified as eligible therefore under standards set by the New Jersey Department of Human Services;
3. Recipients of Temporary Assistance to Needy Families (“TANF”);
4. Recipients of Federal Supplemental Security Income (“SSI”);
5. Recipients of Pharmaceutical Assistance to the Aged and Disabled (“PAAD”);
6. Recipients of General Assistance (“GA”) benefits;
7. Recipients of the Universal Service Fund (“USF”); or
8. Persons unable to pay their utility bills because of circumstances beyond their control. Such circumstances shall include, but shall not be limited to, unemployment, illness, medically related expenses, recent death of an immediate family member, and any other circumstances that might cause financial hardship.

As noted above, the utilities intend to use the 30-day window to alert customers to their past due balances through a variety of communications, including bill messages, letters, postcards, emails, texts, and, for some customers, shutoff notices. The utilities are and will continue to be educating customers about available assistance programs and enhanced DPAs. At this time, Board Staff does not foresee a need to take formal action to impose an extension of a voluntary shutoff moratorium.