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CHRIS CHRISTIE
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Lt. Governor

STEFANIE A. BRAND
Director

January 13, 2012

Via Overnight Delivery and Electronic Mail

Honorable Kristi Izzo, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Re: In the Matter of the Comprehensive Energy Efficiency and
Renewable Energy Resource Analysis for 2009-2012: 2012
Programs and Budgets Compliance Filings
(Comments on Sustainable Jersey's Compliance Filing)
BPU Docket No. EO11100631V

Dear Secretary Izzo:

Pursuant to the Board Order dated October 7, 2011, enclosed please find an original and ten copies of the Comments submitted on behalf of the New Jersey Division of Rate Counsel ("Rate Counsel") in connection with the above-captioned matter. Copies of the comments are being provided to all parties by electronic mail and hard copies will be provided upon request to our office.

We are enclosing one additional copy of the comments. Please stamp and date the extra copy as "filed" and return it in our self-addressed stamped envelope.

Thank you for your consideration and assistance.

Respectfully submitted,

STEFANIE A. BRAND
Director, Division of Rate Counsel

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**In the Matter of Comprehensive Energy Efficiency
and Renewable Energy Resource Analysis
for 2009-2012 Clean Energy Programs:
2012 Programs and Budgets: Compliance Filings
Sustainable Jersey Clean Energy Program Compliance Filing
BPU Docket Nos. EO07030203 and EO10110865
(Comments on Sustainable Jersey's Compliance Filing)**

**Comments of the New Jersey
Division of Rate Counsel**

January 13, 2012

The Division of Rate Counsel ("Rate Counsel") would like to thank the Board of Public Utilities ("BPU" or "Board") for the opportunity to present our comments on the 2012 Sustainable Jersey Clean Energy Program ("CEP") Compliance Filing ("the Filing"). The Filing was submitted to stakeholders for comment by the Applied Energy Group ("AEP") on behalf of the Office of Clean Energy ("OCE") in a notice issued January 6, 2012. By email notice on January 9, 2012, the comment period for the Filing was extended to Friday, January 13, 2012.

The Filing provides a brief description of Sustainable Jersey, the scope of services for the Sustainable Jersey/CEP program by task (including information on deliverables by program), and a budget for CEP funds. The scope tasks include:

1. Operations and Program Coordination,
2. Grants Portal,
3. Training and Outreach,
4. School Education and Certification Program,
5. Energy Savings Improvement Programs, and
6. Policy Development, New Sustainable Jersey Action, Integrating CEP Programs.

The tasks generally involve education, outreach, communications, and other activities that indirectly support energy efficiency. According to the Filing, energy issues constitute approximately one quarter of support questions and emails handled by Sustainable Jersey's phone and email support services. Sustainable Jersey's programs also support other types of conservation, such as wildlife, water, land, and arts and historic buildings preservation. The 2012 CEP budget set forth in the Board's December 20, 2011 Order provides \$500,000 in new funding to Sustainable Jersey.

Sustainable Jersey's energy efficiency and renewable energy goals and efforts are laudable. Based on the information provided, Rate Counsel does not object to the proposed funding for Sustainable Jersey's 2012 programs. However, Rate Counsel has a number of concerns about their compliance filing which touch upon an evaluation of the ongoing value of its services.

First, the Filing does not provide a narrative setting forth the need for its programs or the market barriers facing municipalities, nor does it identify target participants. For example, target School Education and Certification workshop participants might include school administrators, teachers, etc. In addition, the training activities, information sessions, and outreach events are not described in detail.

Second, Sustainable Jersey should be required to submit quarterly status reports and detailed annual reports similar to those provided by the administrators of other CEP programs. Although it would be very difficult to quantify the benefits of Sustainable Jersey's outreach and marketing efforts in terms of energy savings and cost effectiveness, periodic reports can and should include qualitative and quantitative assessments of progress relative to the deliverables set out in the Filing, e.g., number of email blasts; number of applications for certification; webinars,

trainings and workshops conducted; progress on pilots and program development; etc. In addition, both quarterly and annual reports should describe program spending relative to budgets. Other metrics that would be helpful on a quarterly or annual basis include number of energy efficiency audits, number of referrals to CEP by program, greenhouse gas inventories and action plans completed, reach of marketing efforts, and geographic diversity of participants engaging in energy conservation actions.

Third, Sustainable Jersey should also provide additional information in order to facilitate evaluation. For example, annual reports and more detailed program and budget information would be helpful.

Finally, Sustainable Jersey's Filing does not provide information regarding the evaluation of its programs. This documentation should encompass evaluation methodology, time frame, definitions of goals, metrics for measuring progress toward those goals, and a description of the results of the process assessment. At the January 10th CEP Energy Efficiency ("EE") subcommittee meeting a representative of Sustainable Jersey stated that the organization engages in annual process assessment. Documentation of these assessments was requested following the EE subcommittee meeting and we understand that more information will be provided by Sustainable Jersey. Rate Counsel reserves its right to comment further once this documentation is provided.

In summary, based on the information provided, Rate Counsel does not object to the proposed funding for Sustainable Jersey's 2012 programs. However, more information is needed to accurately assess the value to ratepayers of Sustainable Jersey's programs on a going-forward basis. Rate Counsel respectfully submits that Sustainable Jersey should be required to submit the quarterly and annual reports set forth above as well as evaluation data. Furthermore, Sustainable

Jersey should be required to submit more detailed program information in future filings, as set forth above.