

January 20, 2026

Submitted electronically via: board.secretary@bpu.nj.gov

Sherri Lewis
Secretary of the Board
New Jersey Board of Public Utilities
44 S Clinton Ave
Trenton, NJ 08625

Re: *In the Matter of the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Third Triennium of Energy Efficiency and Peak Demand Reduction Programs, Straw Proposal: Third Triennium Regulatory Framework for Utility Energy Efficiency and Peak Demand Reduction Programs*

Dear Secretary Lewis,

We thank the New Jersey Board of Public Utilities (NJBPU) for the opportunity to provide input on the Triennium 3 Straw Proposal. We appreciate the work the NJBPU has done so far to engage stakeholders and ensure feedback is incorporated into Triennium 3. This Triennium builds on the success of previous years, as highlighted in the [2025 ACEEE State Scorecard](#), where New Jersey saw a nearly 90% increase in energy savings for utility customers. These energy savings lead to lower bills for residents and businesses, healthier homes and buildings, local job creation, and least-cost resources to the energy system.

Northeast Energy Efficiency Partnerships (NEEP), New Jersey League of Conservation Voters, Environment New Jersey, American Council for an Energy Efficiency Economy (ACEEE), Vote Solar, New Jersey Sustainable Business Network, New Jersey Environmental Justice Alliance, Isles, and Energy Efficiency Alliance (EEA) are a group of non-profit organizations with broad missions to serve the public interest and advance energy efficiency for its multiple benefits to consumers, the environment, and the economy. We hope that these comments will help New Jersey continue its success in energy efficiency and provide insight to help improve the program as the NJBPU, utilities, and partners prepare to launch this next cycle.

We provide five recommendations to advance energy efficiency in New Jersey through Triennium 3:

1. Maintain strong investment in energy efficiency to help customers lower energy bills, prioritizing equitable outcomes.
2. Establish goals for reaching low-income customers and encourage coordination to ensure more benefits flow to low- and moderate-income customers.
3. Support the establishment of a Trade Ally Network as proposed and investment in programs that provide tools and resources for qualified and skilled contractors across the state, with additional resources to train contractors in overburdened communities.
4. Continue efficient heat pump programs in the state that are cost-effective and prioritize customers with higher heating costs.
5. Support the establishment of a statewide one-stop-shop and Energy Navigators as proposed to streamline customer experience and lessen the burden for customers to participate in programs.

(1) Maintain strong investment in energy efficiency to help customers lower energy bills, prioritizing equitable outcomes.

- **We encourage the NJBPU to maintain or increase investments in energy efficiency as these investments improve energy affordability by lowering customer bills and reducing the need for costly supply-side infrastructure.** Energy efficiency programs lower overall energy consumption. This provides two-fold benefits to advance the state's energy affordability and reliability goals. First, efficiency programs reduce bills for participating customers, while also providing many other participant benefits like comfort and healthier buildings. Second, efficiency programs lower the need for additional infrastructure buildouts such as distribution systems and are a cheaper alternative to investing in generation. Savings from energy efficiency are [one-third to one-fourth](#) the cost of fossil fuel supply-side alternatives. The proposed programs are estimated to cost only 4 cents per kilowatt-hour (kWh) saved, demonstrating that significant additional cost-effective energy savings potential remains. At a time of rising energy demand and need for new generation and capacity resources, energy efficiency and demand flexibility provide critical, least-cost resources that can be deployed immediately to lower system costs.

Before reducing the budget for energy efficiency programs, we encourage the NJBPU to study the impacts of lower energy efficiency spending on customer bills. A study should estimate how a reduction in energy efficiency spending will impact anticipated total net system costs, including increased spending on supply-side resources, and the impact on customer energy bills. As reductions in investments in energy efficiency programs could result in the need for greater spending on supply-side resources, leading to higher costs for ratepayers.

- **Consider that lower spending does not need to lead to fewer savings.** The Straw Proposal identified a budget reduction of nearly 50% for this next cycle of energy efficiency programs to lower short-term costs. If this budget reduction is implemented, we encourage the NJBPU to ensure that the lowering of the budget does not lead to a reduction in savings. New Jersey has ample, cost-effective opportunities to maintain the levels of energy savings that have led New Jersey to be recognized as a leading state in energy efficiency and to continue to make progress towards its goals. We urge the NJBPU and utilities to identify and collaborate on opportunities to expand on cost-effective measures that can achieve similar level of savings through more targeted investments and ensure the benefits that flow from Triennium 3 remain at the same or similar levels compared to past programs.

(2) Establish goals for reaching low-income customers and encourage coordination to ensure more benefits flow to low- and moderate-income customers.

- **Establish a formal goal for spending or savings in low-income communities.** New Jersey currently offers programs to low-income customers through both the utility portfolio and Comfort Partners. Programs offered by utilities serve customers that are not eligible for Comfort Partners. For this next cycle, we encourage New Jersey to establish a formal goal for spending or savings for low-income customers or

communities to align program administrators' mandates with equity and affordability priorities for the state. This can be a goal for both utilities and Comfort Partners or just utilities, adjusted to reflect the customers utilities serve. This goal can be established as a savings goal or spending target for programs, both of which ensure that benefits flow to underserved communities. While a performance incentive mechanism (PIM) is currently proposed for equity, complementary spending or savings goals will ensure program administrators [prioritize equity from the start](#).

- **Coordinate implementation of program offerings for low-income customers.** Additionally, the state could coordinate implementation of both Comfort Partners and utility programs to enhance program offerings through Comfort Partners. Comfort Partners is fuel neutral, leveraging utility dollars to cover gaps in program funding; the state could help households with delivered fuels or electric resistance convert to more efficient heat pumps, saving money, energy, and emissions. The state has proposed such a similar program for IRA HEAR Funding with CP-HEAR. While the state waits for this funding, utilities could step in to support this effort.

(3) Support the establishment of a unified statewide Trade Ally Network as proposed and investment in programs that provide tools and resources for qualified and skilled contractors across the state, with additional resources to train contractors in overburdened communities.

- **Establish statewide certifications for heat pump installers and weatherization contractors to make it easier for customers to identify qualified contractors.** We commend NJBPU for proposing the establishment of a statewide qualified contractor network in New Jersey. A qualified contractor network benefits consumers and contractors by spreading and standardizing best practices, providing regular training, and allowing customers to easily find trusted contractors. These networks can also offer continuing education and networking opportunities for businesses in the state. As an example, Vermont's [Efficiency Excellence Network](#) members gain access to free technical training, promotional materials, and project support. By engaging with existing and new contractors and standardizing training, New Jersey can build a more reliable, trusted workforce that benefits both tradespeople and the local community. In establishing a new Trade Ally network and certifications, it will also be important for the NJBPU and utilities to provide additional resources to trainees and contractors in overburdened communities, such as wraparound services, paid on the job training, and partnerships with community-based organizations. Targeted training opportunities can provide opportunities for young workers and build pathways to certification. This will ensure all workers have access to these opportunities and that workers reflect the communities they serve.
- **Create an online tool for customers to locate local contractors.** An online, searchable tool can allow customers to identify contractors in their area and see what products and measures they offer, such as Efficiency Maine's [Find a Qualified Partner](#) feature and Vermont's [Efficiency Excellence Network](#). These tools allow customers to locate local contractors and provide information on what qualifications each contractor has and services they can provide, such as heat pump installation, weatherization, and energy audits.

(4) Continue efficient heat pump programs in the state that are cost-effective and prioritize customers with higher heating costs.

- **Focus on delivered fuels and electric resistance customers.** Efficient heat pump programs should focus on lowering customers' bills and replace high emitting and inefficient technologies. Studies have shown that switching from [electric resistance, oil, or propane](#) to a high efficiency heat pump can lower a customer's energy use and reduce a resident's annual heating costs. We support the strategy to focus heat pump offerings on these customers, with a targeted focus on customers in overburdened communities. NJBPU might also consider providing additional guidance on how utilities can target cost-effective and high-impact customer segments such as through advertising campaigns, use of Energy Navigators, AMI data, or other means.
- **Consider co-promoting weatherization measures with heat pumps and/or including additional incentives for homes that both weatherize and install heat pumps.** When implemented and managed properly, [co-promotion](#) of weatherization (building envelope improvements) and high-performance HVAC equipment is an effective strategy to achieve significant energy- and utility-cost savings in homes across the region. An increasing number of programs in the Northeast have begun to cross- or co-promote the two measures in a more integrated way to increase the adoption of both by leveraging initial interest in one of the two measures through program requirements, financial incentives, education, and marketing. For this Triennium, NJBPU could consider co-promotion so that if a customer receives a rebate for heat pumps, they will be sent a mailer on the benefits of weatherization. Additionally, NJBPU can require utilities to provide bonus incentives so that homes receiving both a heat pump and weatherization measures gain access to higher rebates.
- **Consider increasing the financing caps back to the levels of Triennium 2.** The Straw Proposal would lower the maximum loan principal for eligible residential prescriptive measures, including heat pumps, from \$25,000 to \$10,000 for non-low- to moderate-income customers. This lower loan amount might deter customers from choosing to install heat pumps, given higher project costs to electrify their heating and cooling system. For comparison, we highlight the [Massachusetts HEAT Loan](#), which provides no-interest loans up to \$25,000 for heat pumps, weatherization, and pre-weatherization barriers.

(5) Support the establishment of a statewide one-stop shop and Energy Navigators as proposed to streamline customer experience and lessen the burden for customers to participate in programs.

- **Support establishment of a one-stop shop.** We commend NJBPU for proposing the establishment of a one-stop shop. Establishing a single touch point so that customers can have access to information on the programs available to them no matter where they live in the state can help with marketing and education. One website can also provide access links to utility programs, so that it is easier for customers to find and identify all rebates available to them. Similar services are offered in other states, such as [Massachusetts Mass Save website](#) and [Efficiency Vermont's website](#). It will also be helpful to collect data on website

engagement and interaction to ensure that customers are able to navigate it and highlight any areas of improvement. This tool should be implemented in coordination with existing state efforts, such as the [NJ DEP One-Stop-Shop](#) tool. This will ensure this website is complementary and not duplicative.

- **Support the creation of Energy Navigators programs.** Building upgrades can be expensive and complicated, which can deter customers if they are unable to navigate the system or unsure of how to access the rebates and other incentives available to them. An Energy Navigators program, tactfully created over time with robust stakeholder engagement, can lessen the burden on participation by empowering customers to know more about the rebates available to them, connecting customers to contractors, and helping to streamline the rebate process. Some examples the NJBPU can replicate include Massachusetts' [Community First Partnership](#) and [New York's Regional Clean Energy Hubs](#). As part of the implementation, NJBPU can also track engagement and assistance provided by Energy Navigators to highlight the success of the program and identify any potential barriers.

Thank you for your time and consideration.

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