

[First Reprint]

**ASSEMBLY, No. 1976**

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Assemblyman STERLEY S. STANLEY**

**District 18 (Middlesex)**

**Assemblyman DANIEL R. BENSON**

**District 14 (Mercer and Middlesex)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Co-Sponsored by:**

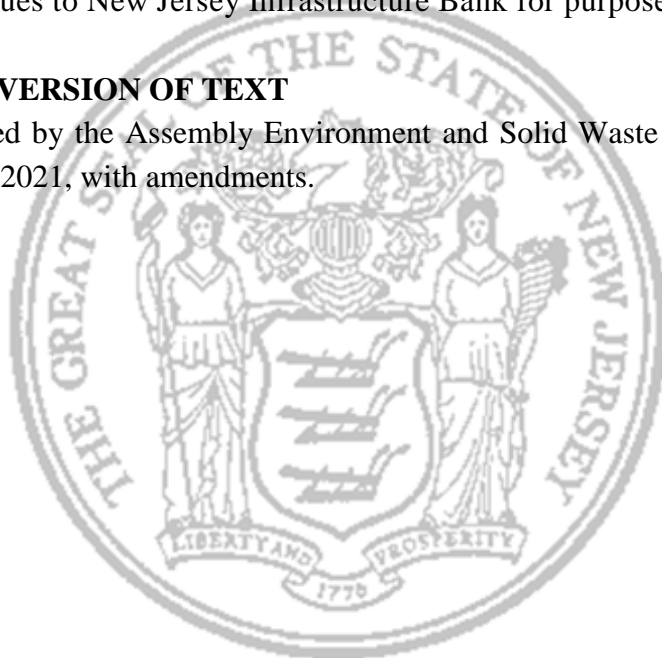
**Assemblymen Kennedy, Houghtaling and Assemblywoman Timberlake**

**SYNOPSIS**

Establishes Renewable and Efficient Energy Financing Program; authorizes BPU to transfer up to \$20 million annually in societal benefits charge revenues to New Jersey Infrastructure Bank for purposes of program.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Environment and Solid Waste Committee on February 22, 2021, with amendments.



**(Sponsorship Updated As Of: 3/25/2021)**

1 AN ACT concerning <sup>1</sup>renewable energy and<sup>1</sup> energy efficiency in  
2 State, local, and school district buildings <sup>1</sup>and other property<sup>1</sup>,  
3 supplementing Title 58 of the Revised Statutes, and amending  
4 P.L.1999, c.23.

5  
6 **BE IT ENACTED** by the Senate and General Assembly of the State  
7 of New Jersey:

8  
9 1. (New section) This act shall be known and may be cited as  
10 the “<sup>1</sup>**[Energy Efficiency and]**<sup>1</sup> Renewable <sup>1</sup>and Efficient<sup>1</sup> Energy  
11 Financing Act.”

12  
13 2. (New section) As used in <sup>1</sup>**[this act]** sections 1 through 9 of  
14 P.L. , c. (C. ) (pending before the Legislature as this bill)<sup>1</sup>:

15 <sup>1</sup>**[“Department” means the Department of Environmental**  
16 **Protection.]**

17 “Board” means the Board of Public Utilities.<sup>1</sup>

18 “Energy efficiency improvement” means a modification or  
19 improvement to a building <sup>1</sup>or other property<sup>1</sup> that is designed to  
20 reduce energy consumption or provide a renewable energy source,  
21 and reduce energy costs for a State entity, local unit, or school  
22 district. “Energy efficiency improvement” shall include, but need  
23 not be limited to, insulation; storm windows or doors; caulking,  
24 weather-stripping, or other window and door system modifications  
25 or improvements that reduce energy consumption; automated or  
26 computerized energy control systems; energy efficient heating,  
27 ventilation, or air conditioning systems; energy efficient lighting  
28 systems; on-site solar energy systems or other renewable energy  
29 systems; energy recovery systems; cogeneration or combined heat  
30 and power systems; and other modifications or improvements as  
31 may be determined appropriate by the <sup>1</sup>**[department]** board<sup>1</sup>.

32 “Local unit” means a county or municipality, or any agency,  
33 authority, <sup>1</sup>department,<sup>1</sup> or other entity thereof.

34 “Program” means the <sup>1</sup>**[“Energy Efficiency and]**<sup>1</sup> Renewable  
35 <sup>1</sup>and Efficient<sup>1</sup> Energy Financing Program <sup>1</sup>**[”]**<sup>1</sup> established  
36 pursuant to <sup>1</sup>**[this act]** section 3 of P.L. , c. (C. ) (pending  
37 before the Legislature as this bill)<sup>1</sup>.

38 “School district” means any local or regional school district  
39 established pursuant to chapters 8 or 13 of Title 18A of the New  
40 Jersey Statutes.

41 “State entity” means a department, agency, or office of State  
42 government, including a State university or college, or an authority  
43 created by the State.

**EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup>Assembly AEN committee amendments adopted February 22, 2021.

1 “Total cost” means all of the costs associated with an energy  
2 efficiency improvement project, including, but not limited to, all of  
3 the costs of financing the project over the life of a loan.<sup>1</sup>

4 “Trust” means the New Jersey Infrastructure Bank, created  
5 pursuant to section 4 of P.L.1985, c.334 (C.58:11B-4).  
6

7 3. (New section) There is established in the New Jersey  
8 Infrastructure Bank the <sup>1</sup>“Energy Efficiency and”<sup>1</sup> Renewable  
9 <sup>1</sup>and Efficient<sup>1</sup> Energy Financing Program. <sup>1</sup>“”<sup>1</sup> The purpose of  
10 the program shall be to provide loans and other forms of financial  
11 assistance, as the trust deems appropriate, to State entities, local  
12 units, and school districts to finance cost-effective energy efficiency  
13 improvements in buildings <sup>1</sup>or other property<sup>1</sup> owned or operated  
14 by the State entities, local units, or school districts. <sup>1</sup>The trust is  
15 also authorized to provide loans and other forms of financial  
16 assistance directly to a private entity for an energy efficiency  
17 improvement project sponsored and guaranteed by a local unit,  
18 provided that any application for such loans or other forms of  
19 financial assistance is made by the local unit.<sup>1</sup>  
20

21 4. (New section) a. A State entity, local unit, or school district  
22 seeking financial assistance under the <sup>1</sup>“Energy Efficiency and”<sup>1</sup>  
23 Renewable <sup>1</sup>and Efficient<sup>1</sup> Energy Financing Program shall first  
24 submit an application to the <sup>1</sup>“Department of Environmental  
25 Protection” board<sup>1</sup> in a form and manner as determined by the  
26 <sup>1</sup>“department. The department” board in consultation with the  
27 trust. The board<sup>1</sup>, in consultation with the <sup>1</sup>“New Jersey  
28 Infrastructure Bank” trust<sup>1</sup>, shall develop criteria for the approval  
29 or disapproval of applications pursuant to this section.

30 b. As part of the application process, the <sup>1</sup>“department” board<sup>1</sup>  
31 shall <sup>1</sup>“perform, or”<sup>1</sup> require the applicant to perform <sup>1</sup>“,”<sup>1</sup> an  
32 energy efficiency assessment of the buildings <sup>1</sup>or other property<sup>1</sup>  
33 owned or operated by the applicant. The assessment shall identify  
34 the energy efficiency improvements that can be installed and  
35 operated in the buildings <sup>1</sup>or other property<sup>1</sup> at a total cost that is  
36 less than the energy cost savings, in the form of lower energy bills,  
37 realized by the applicant over <sup>1</sup>the lesser of<sup>1</sup> a 10-year period <sup>1</sup>“,”<sup>1</sup>  
38 or <sup>1</sup>“such shorter time as the department deems appropriate” the  
39 useful life of the energy efficiency improvements<sup>1</sup>. The assessment  
40 shall include a schedule for funding and installing the energy  
41 efficiency improvements that will realize the greatest cost savings  
42 to the applicant.

43 c. Upon approval of an application pursuant to this section, the  
44 <sup>1</sup>“department” board<sup>1</sup> shall submit a copy of <sup>1</sup>“the application  
45 and”<sup>1</sup> the energy efficiency assessment<sup>1</sup> and a certification of

1 application approval<sup>1</sup> to the trust. Subject to the availability of  
2 funds under the program, the trust may make and contract to make  
3 loans or other forms of financial assistance, as the trust deems  
4 appropriate, to the applicant to finance all or a portion of<sup>1</sup> the cost  
5 of the energy efficiency improvements as identified in the energy  
6 efficiency assessment and approved by the **department board**<sup>1</sup>.  
7 The loans and other forms of financial assistance may be made  
8 subject to such terms and conditions as the trust shall deem  
9 appropriate.

10

11 5. (New section) Pursuant to an energy efficiency assessment  
12 performed pursuant to section 4 of **this act** P.L. , c. (C. )  
13 (pending before the Legislature as this bill)<sup>1</sup>, and with the approval  
14 of the **department board**<sup>1</sup> and the trust, a State entity, local unit,  
15 or school district may install or contract for the installation of,  
16 energy efficiency improvements on its buildings or other  
17 property<sup>1</sup>, as identified in the assessment. The installation or  
18 contract shall address provisions concerning payment schedules,  
19 monitoring, inspection, measuring, and warranties as are necessary  
20 to ensure to the greatest extent practicable<sup>1</sup> that the energy  
21 efficiency improvements will be installed and operated in the  
22 buildings or other property<sup>1</sup> at a total cost that is less than the  
23 energy cost savings realized by the applicant over the lesser of a<sup>1</sup>  
24 10-year period or **such other timeframe as the department deems**  
25 **appropriate** the useful life of the energy efficiency improvements<sup>1</sup>.

26

27 **6.** (New section) a. The New Jersey Infrastructure Bank is  
28 authorized, from time to time, to issue bonds, pursuant to the  
29 provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and any other  
30 applicable laws, in an amount outstanding at any one time not to  
31 exceed \$20,000,000, for the purpose of providing financial  
32 assistance to State entities, local units, and school districts under  
33 this act. The payment of interest on, and repayment of principal of,  
34 these bonds shall be secured by and paid out of:

35 (1) moneys obtained from the payment of interest assessed on,  
36 and the repayment of principal of, any loans made pursuant to this  
37 act;

38 (2) moneys transferred to the trust from the Board of Public  
39 Utilities pursuant to section 7 of this act; and

40 (3) any other moneys appropriated by the Legislature or  
41 otherwise made available to the trust for the purposes of this act.

42 b. The trust may establish such reserves, funds, or accounts as,  
43 in its discretion, are necessary or desirable to carry out the purposes  
44 of this act, within the limits of funds appropriated or otherwise  
45 made available to the trust for its purposes. **]**<sup>1</sup>

1       <sup>1</sup>7. (New section) Notwithstanding the provisions of section  
2 12 of P.L.1999, c.23 (C.48:3-60), or any rule, regulation, or order  
3 adopted pursuant thereto, to the contrary, commencing with the first  
4 State fiscal year in which a loan or other form of financial  
5 assistance is made pursuant to this act, the Board of Public Utilities  
6 shall, from available balances accumulated in accounts of the board  
7 from funds collected through the societal benefits charge imposed  
8 pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), transfer to the  
9 trust such amounts as are necessary to secure the debt service  
10 payments on any bonds of the trust to be issued pursuant to this act.  
11 The board and the trust may enter into any contract deemed  
12 necessary to implement the payment arrangement that is provided  
13 for in this section.]<sup>1</sup>

14  
15       <sup>1</sup>6. (New section) a. There is established in the New Jersey  
16 Infrastructure Bank a special, nonlapsing fund to be known as the  
17 Renewable and Efficient Energy Financing Fund. Monies in the  
18 fund shall be used by the trust only to provide loans and other forms  
19 of financial assistance to State entities, local units, and school  
20 districts under the program, and for the trust's administration and  
21 management of the program. The fund shall be credited with:

22       (1) moneys obtained from the payment of interest assessed on,  
23 and the repayment of principal of, any loans made pursuant to  
24 P.L. , c. (C. ) (pending before the Legislature as this bill);

25       (2) moneys transferred to the trust from the board pursuant to  
26 subsection c. of section 12 of P.L.1999, c.23 (C.48:3-60);

27       (3) any other moneys appropriated by the Legislature or  
28 otherwise made available to the trust for the purposes of  
29 P.L. , c. (C. ) (pending before the Legislature as this bill);  
30 and

31       (4) any interest earnings or other investment income earned or  
32 received on the moneys in the fund.

33       b. The trust may establish other such reserves or subaccounts  
34 which, in the trusts' discretion, are necessary or desirable to carry  
35 out the purposes of P.L. , c. (C. ) (pending before the  
36 Legislature as this bill), within the limits of funds appropriated or  
37 otherwise made available to the trust for its purposes.<sup>1</sup>

38  
39       <sup>1</sup>7. (New section) The board, in consultation with the trust,  
40 shall develop a priority system for energy efficiency improvement  
41 projects, and establish ranking criteria and funding policies for the  
42 energy efficiency improvement projects to be funded under the  
43 program. The board shall set forth a "Renewable and Efficient  
44 Energy Financing Program Project Priority List," hereinafter  
45 referred to as the project priority list, for funding by the trust each  
46 fiscal year, and shall include the aggregate amount of funds that the  
47 trust is authorized to use for the purposes of the program. The

1 board may include an energy efficiency improvement project on the  
 2 project priority list if the project meets the eligibility requirements  
 3 for funding, and any other criteria developed by the board, pursuant  
 4 to P.L. , c. (C. ) (pending before the Legislature as this bill).  
 5 The board shall submit the project priority list to the Legislature,  
 6 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) at least  
 7 once in each fiscal year. A project shall be eligible for funding  
 8 under P.L. , c. (C. ) (pending before the Legislature as this  
 9 bill) only if it is identified on a project priority list.<sup>1</sup>

10  
 11 8. (New section) No later than one year after the first loan or  
 12 other form of financial assistance is made pursuant to <sup>1</sup>["this act"]  
 13 P.L. , c. (C. ) (pending before the Legislature as this bill)<sup>1</sup>,  
 14 and for each succeeding year in which such financial assistance is  
 15 made, the <sup>1</sup>["Department of Environmental Protection"] board<sup>1</sup> and  
 16 the <sup>1</sup>["New Jersey Infrastructure Bank"] trust<sup>1</sup> together shall prepare  
 17 and submit a report to the Governor and, pursuant to section 2 of  
 18 P.L.1991, c.164 (C.52:14-19.1), to the Legislature, on the  
 19 effectiveness of the program in promoting energy efficiency <sup>1,2</sup>  
 20 renewable energy.<sup>1</sup> and energy cost savings for State entities, local  
 21 units, and school districts. The <sup>1</sup>["department"] board<sup>1</sup> and the trust  
 22 may include any recommendations for legislation to improve the  
 23 effectiveness of the program.

24  
 25 9. (New section) The <sup>1</sup>["Department of Environmental  
 26 Protection"] board<sup>1</sup>, in cooperation with the <sup>1</sup>["New Jersey  
 27 Infrastructure Bank"] trust<sup>1</sup>, shall adopt, pursuant to the  
 28 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
 29 seq.), such rules and regulations as are necessary to implement the  
 30 provisions of <sup>1</sup>["this act"] P.L. , c. (C. ) (pending before the  
 31 Legislature as this bill)<sup>1</sup>.

32  
 33 <sup>1</sup>["10. Section 12 of P.L.1999, c.23 (C.48:3-60) is amended to  
 34 read as follows:

35 12. a. Simultaneously with the starting date for the  
 36 implementation of retail choice as determined by the board pursuant  
 37 to subsection a. of section 5 of this act, the board shall permit each  
 38 electric public utility and gas public utility to recover some or all of  
 39 the following costs through a societal benefits charge that shall be  
 40 collected as a non-bypassable charge imposed on all electric public  
 41 utility customers and gas public utility customers, as appropriate:

42 (1) The costs for the social programs for which rate recovery  
 43 was approved by the board prior to April 30, 1997. For the purpose  
 44 of establishing initial unbundled rates pursuant to section 4 of this  
 45 act, the societal benefits charge shall be set to recover the same  
 46 level of social program costs as is being collected in the bundled

1 rates of the electric public utility on the effective date of this act.  
2 The board may subsequently order, pursuant to its rules and  
3 regulations, an increase or decrease in the societal benefits charge  
4 to reflect changes in the costs to the utility of administering existing  
5 social programs. Nothing in this act shall be construed to abolish or  
6 change any social program required by statute or board order or rule  
7 or regulation to be provided by an electric public utility. Any such  
8 social program shall continue to be provided by the utility until  
9 otherwise provided by law, unless the board determines that it is no  
10 longer appropriate for the electric public utility to provide the  
11 program, or the board chooses to modify the program;

12 (2) Nuclear plant decommissioning costs;

13 (3) The costs of demand side management programs that were  
14 approved by the board pursuant to its demand side management  
15 regulations prior to April 30, 1997. For the purpose of establishing  
16 initial unbundled rates pursuant to section 4 of this act, the societal  
17 benefits charge shall be set to recover the same level of demand  
18 side management program costs as is being collected in the bundled  
19 rates of the electric public utility on the effective date of this act.  
20 Within four months of the effective date of this act, and every four  
21 years thereafter, the board shall initiate a proceeding and cause to  
22 be undertaken a comprehensive resource analysis of energy  
23 programs, and within eight months of initiating such proceeding  
24 and after notice, provision of the opportunity for public comment,  
25 and public hearing, the board, in consultation with the Department  
26 of Environmental Protection, shall determine the appropriate level  
27 of funding for energy efficiency and Class I renewable energy  
28 programs that provide environmental benefits above and beyond  
29 those provided by standard offer or similar programs in effect as of  
30 the effective date of this act; provided that the funding for such  
31 programs be no less than 50% of the total Statewide amount being  
32 collected in public electric and gas utility rates for demand side  
33 management programs on the effective date of this act for an initial  
34 period of four years from the issuance of the first comprehensive  
35 resource analysis following the effective date of this act, and  
36 provided that 25% of this amount shall be used to provide funding  
37 for Class I renewable energy projects in the State. In each of the  
38 following fifth through eighth years, the Statewide funding for such  
39 programs shall be no less than 50 percent of the total Statewide  
40 amount being collected in public electric and gas utility rates for  
41 demand side management programs on the effective date of this act,  
42 except that as additional funds are made available as a result of the  
43 expiration of past standard offer or similar commitments, the  
44 minimum amount of funding for such programs shall increase by  
45 an additional amount equal to 50 percent of the additional funds  
46 made available, until the minimum amount of funding dedicated to  
47 such programs reaches \$140,000,000 total. After the eighth year

1 the board shall make a determination as to the appropriate level of  
2 funding for these programs. Such programs shall include a program  
3 to provide financial incentives for the installation of Class I  
4 renewable energy projects in the State, and the board, in  
5 consultation with the Department of Environmental Protection, shall  
6 determine the level and total amount of such incentives as well as  
7 the renewable technologies eligible for such incentives which shall  
8 include, at a minimum, photovoltaic, wind, and fuel cells. The  
9 board shall simultaneously determine, as a result of the  
10 comprehensive resource analysis, the programs to be funded by the  
11 societal benefits charge, the level of cost recovery and performance  
12 incentives for old and new programs and whether the recovery of  
13 demand side management programs' costs currently approved by the  
14 board may be reduced or extended over a longer period of time.  
15 The board shall make these determinations taking into consideration  
16 existing market barriers and environmental benefits, with the  
17 objective of transforming markets, capturing lost opportunities,  
18 making energy services more affordable for low income customers  
19 and eliminating subsidies for programs that can be delivered in the  
20 marketplace without electric public utility and gas public utility  
21 customer funding;

22 (4) Manufactured gas plant remediation costs, which shall be  
23 determined initially in a manner consistent with mechanisms in the  
24 remediation adjustment clauses for the electric public utility and gas  
25 public utility adopted by the board; and

26 (5) The cost, of consumer education, as determined by the  
27 board, which shall be in an amount that, together with the consumer  
28 education surcharge imposed on electric power supplier license fees  
29 pursuant to subsection h. of section 29 of this act and the consumer  
30 education surcharge imposed on gas supplier license fees pursuant  
31 to subsection g. of section 30 of this act, shall be sufficient to fund  
32 the consumer education program established pursuant to section 36  
33 of this act.

34 b. There is established in the Board of Public Utilities a  
35 nonlapsing fund to be known as the "Universal Service Fund." The  
36 board shall determine: the level of funding and the appropriate  
37 administration of the fund; the purposes and programs to be funded  
38 with monies from the fund; which social programs shall be provided  
39 by an electric public utility as part of the provision of its regulated  
40 services which provide a public benefit; whether the funds  
41 appropriated to fund the "Lifeline Credit Program" established  
42 pursuant to P.L.1979, c.197 (C.48:2-29.15 et seq.), the "Tenants'  
43 Lifeline Assistance Program" established pursuant to P.L.1981,  
44 c.210 (C.48:2-29.31 et seq.), the funds received pursuant to the Low  
45 Income Home Energy Assistance Program established pursuant to  
46 42 U.S.C. s. 8621 et seq., and funds collected by electric and natural  
47 gas utilities, as authorized by the board, to offset uncollectible



1 electricity and natural gas bills should be deposited in the fund; and  
2 whether new charges should be imposed to fund new or expanded  
3 social programs.

4 c. Notwithstanding the requirements of subsection a. of this  
5 section to the contrary, the Board of Public Utilities shall, each  
6 year, transfer to the New Jersey Infrastructure Bank, such amounts  
7 from the moneys collected pursuant to this section as are necessary  
8 to secure the interest payments on any bonds of the New Jersey  
9 Infrastructure Bank issued pursuant to P.L. , c. (C. )  
10 (pending before the Legislature as this bill).

11 (cf: P.L.1999, c.23, s.12)】<sup>1</sup>

12

13 <sup>1</sup>10. Section 12 of P.L.1999, c.23 (C.48:3-60) is amended to  
14 read as follows:

15 12. a. Simultaneously with the starting date for the  
16 implementation of retail choice as determined by the board pursuant  
17 to subsection a. of section 5 of P.L.1999, c.23 (C.48:3-53), the  
18 board shall permit each electric public utility and gas public utility  
19 to recover some or all of the following costs through a societal  
20 benefits charge that shall be collected as a non-bypassable charge  
21 imposed on all electric public utility customers and gas public  
22 utility customers, as appropriate:

23 (1) The costs for the social programs for which rate recovery  
24 was approved by the board prior to April 30, 1997. For the purpose  
25 of establishing initial unbundled rates pursuant to section 4 of  
26 P.L.1999, c.23 (C.48:3-52), the societal benefits charge shall be set  
27 to recover the same level of social program costs as is being  
28 collected in the bundled rates of the electric public utility on the  
29 effective date of P.L.1999, c.23 (C.48:3-49 et al.). The board may  
30 subsequently order, pursuant to its rules and regulations, an increase  
31 or decrease in the societal benefits charge to reflect changes in the  
32 costs to the utility of administering existing social programs.  
33 Nothing in P.L.1999, c.23 (C.48:3-49 et al.) shall be construed to  
34 abolish or change any social program required by statute or board  
35 order or rule or regulation to be provided by an electric public  
36 utility. Any such social program shall continue to be provided by  
37 the utility until otherwise provided by law, unless the board  
38 determines that it is no longer appropriate for the electric public  
39 utility to provide the program, or the board chooses to modify the  
40 program;

41 (2) Nuclear plant decommissioning costs;

42 (3) The costs of demand side management programs that were  
43 approved by the board pursuant to its demand side management  
44 regulations prior to April 30, 1997. For the purpose of establishing  
45 initial unbundled rates pursuant to section 4 of P.L.1999, c.23  
46 (C.48:3-52), the societal benefits charge shall be set to recover the  
47 same level of demand side management program costs as is being

1 collected in the bundled rates of the electric public utility on the  
2 effective date of P.L.1999, c.23 (C.48:3-49 et al.). Within four  
3 months of the effective date of P.L.1999, c.23 (C.48:3-49 et al.),  
4 and every four years thereafter, the board shall initiate a proceeding  
5 and cause to be undertaken a comprehensive resource analysis of  
6 energy programs, and within eight months of initiating such  
7 proceeding and after notice, provision of the opportunity for public  
8 comment, and public hearing, the board, in consultation with the  
9 Department of Environmental Protection, shall determine the  
10 appropriate level of funding for energy efficiency, plug-in electric  
11 vehicles and plug-in electric vehicle charging infrastructure, and  
12 Class I renewable energy programs that provide environmental  
13 benefits above and beyond those provided by standard offer or  
14 similar programs in effect as of the effective date of P.L.1999, c.23  
15 (C.48:3-49 et al.); provided that the funding for such programs be  
16 no less than 50 percent of the total Statewide amount being  
17 collected in electric and gas public utility rates for demand side  
18 management programs on the effective date of P.L.1999, c.23  
19 (C.48:3-49 et al.) for an initial period of four years from the  
20 issuance of the first comprehensive resource analysis following the  
21 effective date of P.L.1999, c.23 (C.48:3-49 et al.), and provided  
22 that 25 percent of this amount shall be used to provide funding for  
23 Class I renewable energy projects in the State. In each of the  
24 following fifth through eighth years, the Statewide funding for such  
25 programs shall be no less than 50 percent of the total Statewide  
26 amount being collected in electric and gas public utility rates for  
27 demand side management programs on the effective date of  
28 P.L.1999, c.23 (C.48:3-49 et al.), except that as additional funds are  
29 made available as a result of the expiration of past standard offer or  
30 similar commitments, the minimum amount of funding for such  
31 programs shall increase by an additional amount equal to 50 percent  
32 of the additional funds made available, until the minimum amount  
33 of funding dedicated to such programs reaches \$140,000,000 total.  
34 After the eighth year the board shall make a determination as to the  
35 appropriate level of funding for these programs. Such programs  
36 shall include a program to provide financial incentives for the  
37 installation of Class I renewable energy projects in the State, and  
38 the board, in consultation with the Department of Environmental  
39 Protection, shall determine the level and total amount of such  
40 incentives as well as the renewable technologies eligible for such  
41 incentives which shall include, at a minimum, photovoltaic, wind,  
42 and fuel cells. The board shall simultaneously determine, as a  
43 result of the comprehensive resource analysis, the programs to be  
44 funded by the societal benefits charge, the level of cost recovery  
45 and performance incentives for old and new programs and whether  
46 the recovery of demand side management programs' costs currently  
47 approved by the board may be reduced or extended over a longer

1 period of time. The board shall make these determinations taking  
2 into consideration existing market barriers and environmental  
3 benefits, with the objective of transforming markets, capturing lost  
4 opportunities, making energy services more affordable for low  
5 income customers and eliminating subsidies for programs that can  
6 be delivered in the marketplace without electric public utility and  
7 gas public utility customer funding;

8 (4) Manufactured gas plant remediation costs, which shall be  
9 determined initially in a manner consistent with mechanisms in the  
10 remediation adjustment clauses for the electric public utility and gas  
11 public utility adopted by the board; and

12 (5) The cost, of consumer education, as determined by the  
13 board, which shall be in an amount that, together with the consumer  
14 education surcharge imposed on electric power supplier license fees  
15 pursuant to subsection h. of section 29 of P.L.1999, c.23 (C.48:3-  
16 78) and the consumer education surcharge imposed on gas supplier  
17 license fees pursuant to subsection g. of section 30 of P.L.1999,  
18 c.23 (C.48:3-79), shall be sufficient to fund the consumer education  
19 program established pursuant to section 36 of P.L.1999, c.23  
20 (C.48:3-85).

21 b. There is established in the Board of Public Utilities a  
22 nonlapsing fund to be known as the "Universal Service Fund." The  
23 board shall determine: the level of funding and the appropriate  
24 administration of the fund; the purposes and programs to be funded  
25 with monies from the fund; which social programs shall be provided  
26 by an electric public utility as part of the provision of its regulated  
27 services which provide a public benefit; whether the funds  
28 appropriated to fund the "Lifeline Credit Program" established  
29 pursuant to P.L.1979, c.197 (C.48:2-29.15 et seq.), the "Tenants'  
30 Lifeline Assistance Program" established pursuant to P.L.1981,  
31 c.210 (C.48:2-29.31 et seq.), the funds received pursuant to the Low  
32 Income Home Energy Assistance Program established pursuant to  
33 42 U.S.C. s.8621 et seq., and funds collected by electric and natural  
34 gas utilities, as authorized by the board, to offset uncollectible  
35 electricity and natural gas bills should be deposited in the fund; and  
36 whether new charges should be imposed to fund new or expanded  
37 social programs.

38 c. Notwithstanding the provisions of this section, or any rule,  
39 regulation, or order adopted pursuant thereto, to the contrary, in the  
40 State fiscal year commencing July 1 next following the date of  
41 enactment of P.L. , c. (C. ) (pending before the Legislature  
42 as this bill), and each year thereafter, the Board of Public Utilities  
43 shall transfer up to \$20 million from available balances  
44 accumulated in accounts of the board from funds collected through  
45 the societal benefits charge imposed pursuant to paragraph (3) of  
46 subsection a. of this section to the New Jersey Infrastructure Bank  
47 for deposit into the Renewable and Efficient Energy Financing

1 Fund established pursuant to section 6 of P.L. , c. (C. )  
2 (pending before the Legislature as this bill) for the purposes of the  
3 Renewable and Efficient Energy Financing Program. The board  
4 and the trust may enter into any contract deemed necessary to  
5 implement the payment arrangement from the board to the trust that  
6 is provided for in this section.<sup>1</sup>

7 (cf: P.L.2019, c.362, s.13)

8

9 11. This act shall take effect immediately.