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2019 STATE ENERGY EFFICIENCY SCORECARD

New Jersey

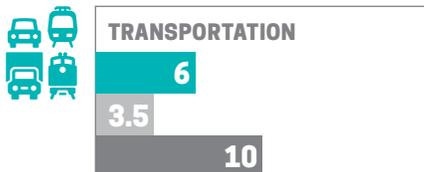
New Jersey ranked 17th in the 2019 State Energy Efficiency Scorecard, rising one place compared to 2018. The state scored 24 points out of a possible 50, 2.5 more than it earned last year.

Policymakers and utilities were busy in the wake of last year's Clean Energy Act, redesigning and scaling up energy efficiency offerings to meet the bill's targets to reduce electricity and natural gas use by 2% and 0.75%, respectively. The New Jersey Board of Public Utilities (BPU) is in the process of establishing utility-specific targets for energy savings and qualitative metrics to evaluate performance. During the summer, the state adopted rules allowing it to rejoin the Regional Greenhouse Gas Initiative (RGGI), including the creation of a Global Warming Solutions Fund that will help support energy efficiency measures. The state has also maintained strong building energy codes and has adopted California's stringent standards for low-emission and zero-emission vehicles.



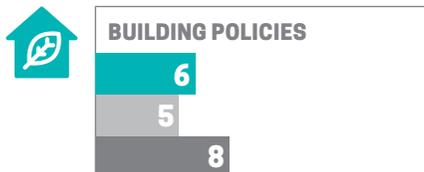
UTILITIES (6.5 OUT OF 20)

The New Jersey BPU administers the Clean Energy Program, delivering the bulk of electric and natural gas efficiency programs in the state. Legislation signed in 2018 established savings targets of 2% and 0.75% of sales for electricity and natural gas, respectively, although 2018 savings remained below the national average.



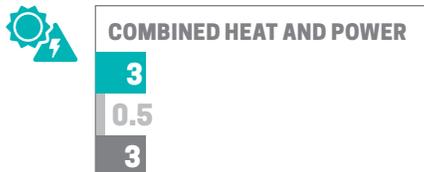
TRANSPORTATION (6 OUT OF 10)

New Jersey saw an increase in electric vehicle registrations in 2018. The state integrates transportation and land use planning and has a complete streets policy in place. New Jersey devotes a significant amount of funding to transportation initiatives and offers consumer incentives for high-efficiency vehicles. This year Governor Murphy also announced the New Jersey Partnership to Plug-In, a first-of-its-kind, statewide partnership to create a strategic and streamlined framework to support New Jersey's electric vehicle ecosystem, with the goal of registering 330,000 Zero-Emission Vehicles (ZEVs) by 2025.



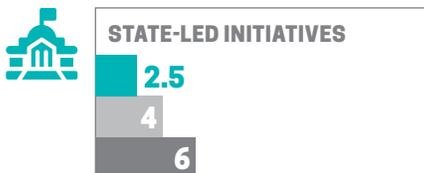
BUILDING ENERGY EFFICIENCY POLICIES (6 OUT OF 8)

New Jersey has adopted the 2018 International Energy Conservation Code (IECC) and American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) 90.1 2016 codes, with minor amendments to going into effect in September 2019. The state also provides training on building energy codes. A baseline study of the multifamily sector in New Jersey was completed in April 2019.



COMBINED HEAT AND POWER (3 OUT OF 3)

New Jersey's Clean Energy Program (NJCEP) offers financial incentives for several types of combined heat and power (CHP) facilities, including non-renewable, renewable, fuel cell, and waste heat to power systems. The state promotes CHP for resilience by providing bonus incentives for systems that incorporate blackstart technology at critical facilities. The state's Superstorm Sandy Action Plan also includes funding specifically for CHP in order to increase the system resiliency. New Jersey also has streamlined its air permitting process by offering a general permit for some eligible CHP systems. Seventeen new CHP installations were completed in 2018.



STATE GOVERNMENT-LED INITIATIVES (2.5 OUT OF 6)

The bulk of the state's energy efficiency incentives are ratepayer funded, so New Jersey does not devote state dollars to these programs. The state government leads by example, benchmarking energy use in public buildings, and encouraging the use of energy savings performance contracts. The Edison Innovation Clean Energy Fund sponsors energy efficiency research and development. The state adopted rules this year to rejoin the Regional Greenhouse Gas Initiative, with plans to reinvest cap-and-trade proceeds towards efficiency programs.



APPLIANCE STANDARDS (0 OUT OF 3)

New Jersey established minimum standards for eight products in 2005, but all have been preempted by federal standards.

