

CLEAN ENERGY

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

| IN THE MATTER OF THE CLEAN ENERGY PROGRAM |) | ORDER |
|---|---|------------------------------|
| AUTHORIZATION OF COMMERCIAL AND |) | |
| INDUSTRIAL PROGRAM ENERGY EFFICIENCY |) | |
| INCENTIVES EXCEEDING \$500,000 - MONROE |) | |
| TOWNSHIP BOARD OF EDUCATION |) | DOCKET NO. QO22030229 |

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel Lisa Schulz, Business Administrator, Monroe Township Board of Education

BY THE BOARD:

The New Jersey Board of Public Utilities ("Board" or "BPU") through its New Jersey Clean Energy Program ("NJCEP") provides several individual Commercial & Industrial ("C&I") Energy Efficiency ("EE") Programs targeting the C&I market segments. Eligible applicants may receive rebates for a portion of the cost for installing energy efficient technologies such as lighting, HVAC, and other energy conservation measures. Incentives are also available for projects involving distributed energy resources ("DER"). The Pay for Performance Program ("P4P") has been designed to incentivize building owners, developers, or other applicants to take a comprehensive long-term approach to incorporate EE in their buildings. All proposed C&I EE financial incentives and rebates exceeding \$500,000 require explicit Board approval. In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the 2009 through 2012 Clean Energy Program -- Revised 2012-2013 Programs & Budgets - Revised Rebate Approval Process. BPU Docket No. EO07030203, Order dated May 3, 2013.

The Pay for Performance – Existing Buildings ("P4P-EB") Program uses a comprehensive, wholebuilding approach to EE in existing C&I buildings or eligible multi-family facilities. Similar to performance contracting programs offered in other states, this program links incentives directly to energy savings and includes a measurement and verification component to determine that the estimated savings levels are achieved. Incentives are released upon satisfactory completion of three (3) milestones.

By this Order, the Board considers the application of Monroe Township Board of Education in Williamstown, New Jersey, submitted on June 11, 2020 under the Fiscal Year 2020 ("FY20") P4P-EB Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for

FY20 dated June 21, 2019. The project is located at 561 Clayton Road, Williamstown, NJ 08094. The applicant requests a total financial incentive of \$512,438.68 for a project with a total cost of \$4,877,227.

The full list of EE measures to be implemented includes an interior LED lighting retrofit, occupancy lighting controls, weatherstripping and air sealing on doors and windows, enabling of night setback in the building management system, a high efficiency hot water heater, variable speed drives on hot water pumps, high efficiency air-cooled chillers, variable speed drives on chilled water pumps, replacement and upgrade of roof insulation, an exterior LED lighting retrofit, and high efficiency transformers. This is an enhanced incentive project due to the facility being owned and operated by a K-12 public school. The project is included as part of a larger Energy Savings Improvement Program scope of work for the Monroe Township Board of Education.

The estimated first incentive, for submitting a complete energy reduction plan prepared by an approved program partner, is \$24,353.40. The estimated second incentive, for the installation of recommended measures per the energy reduction plan, is \$244,042.64. The estimated third incentive, for completing the Post-Construction Benchmarking Report demonstrating achieved energy savings, is \$244,042.64. These incentive amounts are within entity cap guidelines. The project is anticipated to annually save 1,068,836 kWh of electricity and 3,870 therms of natural gas. The project will also reduce peak demand by an anticipated 2,297 kW per year. The proposed project will have an estimated annual energy cost savings of \$144,048. The payback period without incentives is 33.9 years; when factoring in the incentives, the payback period is reduced to 30.3 years.

TRC Environmental Corporation ("TRC"), the Program Manager engaged by the Board to manage the NJCEP P4P-EB program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the NJCEP Program Administrator, submitted its certification that the incentives were calculated in accordance with the program's policies and procedures, the listed amounts are the true and accurate estimated incentives for which the applicant is eligible, and the documentation supporting estimated energy savings inputs was located, reviewed, and made available to calculate the rebate amounts as required by the program's policies and procedures. Based on these certifications and the information provided by TRC, Board Staff ("Staff") recommends approval of the above-referenced application.

DISCUSSION

The Board <u>HEREBY ORDERS</u> the approval of the aforementioned application for the total estimated incentive amount of \$512,438.68 for the Monroe Township Board of Education and <u>AUTHORIZES</u> issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

The effective date of this Order is June 15, 2022.

DATED: June 8, 2022

BOARD OF PUBLIC UTILITIES

BY:

JOSEPH L. FIORDALISC

PRESIDENT

MARY-ANNA HOLDEN COMMISSIONER

COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

ROBERT M. GORDON

COMMISSIONER

ATTEST:

CARMEN D. DIAZ

ACTING SECRETARY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – MONROE TOWNSHIP BOARD OF EDUCATION DOCKET NO. QO22030229

SERVICE LIST

Lisa Schulz, Business Administrator Monroe Township Board of Education 75 East Academy Street Williamstown, NJ 08094 Ischulz@monroetwp.k12.nj.us

Brian O. Lipman, Esq., Director Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, NJ 08625-0003 blipman@rpa.nj.gov

TRC Environmental Corporation

317 George Street, Suite 520 New Brunswick, NJ 08901

Carl Teter, P.E., LEED AP Vice President cteter@trccompanies.com

Marybeth Brenner
Associate Vice President
mbrenner@trccompanies.com

Michael Ambrosio
Director, Policy and Planning
mambrosio@trccompanies.com

Valentina Rozanova Associate Director, Engineering vrozanova@trccompanies.com

Thomas Kowalczyk
Manager, Regulatory Compliance
tkowalczyk@trccompanies.com

TRC, cont'd:

Maura Watkins Manager, Technical Support mwatkins@trccompanies.com

Brian DeLuca
Senior Program Manager
bdeluca@trccompanies.com

Leigh Cignavitch
Associate Project Manager
lcignavitch@trccompanies.com

Alex Witzl
Project Engineer III
awitzl@trccompanies.com

New Jersey Board of Public Utilities

44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

Carmen Diaz Acting Secretary of the Board board.secretary@bpu.nj.gov

Bob Brabston, Esq., Executive Director robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov

Taryn Boland, Chief of Staff taryn.boland@bpu.nj.gov

Henry Gajda, Deputy Chief of Staff henry.gajda@bpu.nj.gov

NJBPU, cont'd

General Counsel's Office

Abe Silverman, Esq., General Counsel abe.silverman@bpu.nj.gov

Carol Artale, Esq.
Deputy General Counsel carol.artale@bpu.nj.gov

lan Oxenham, Esq., Legal Specialist ian.oxenham@bpu.nj.gov

Division of Clean Energy

Kelly Mooij, Director kelly.mooij@bpu.nj.gov

Stacy Ho Richardson, Esq. Deputy Director stacy.richardson@bpu.nj.gov

Earl Thomas Pierce earl.pierce@bpu.nj.gov

Dustin Wang, Program Specialist dustin.wang@bpu.nj.gov

New Jersey Division of Law

NJ Department of Law and Public Safety Richard J. Hughes Justice Complex Public Utilities Section 25 Market Street, P.O. Box 112 Trenton, NJ 08625

David Apy, Assistant Attorney General david.apy@law.njoag.gov

Daren Eppley, Section Chief, DAG daren.eppley@law.njoag.gov

Pamela Owen, Assistant Section Chief, DAG pamela.owen@law.njoag.gov

Matko Ilic, DAG matko.ilic@law.njoag.gov

Program Administrator Certification (New Incentive Commitments > \$500,000)

| that, I have revi required by the equipment ince approval to cor those policies a | watkins , TRC Companies Quality Control, hereby certify fewed the application referenced below and determined that, as policies and procedures applicable to the program, (1) the entives for which the NJCEP Program Manager now seeks mmit NJCEP funds have been calculated in accordance with and procedures, and (2) that the amount shown below is the true estimated incentive for which the applicant(s) is(are) eligible. |
|---|---|
| calculated, incl Program, and the able to locate of calculate the re | r incentives based on estimated energy savings that are uniquely luding the Pay for Performance Program, Large Energy Users ne Combined Heat and Power Program, I also certify that I was and review documentation supporting the inputs used to ebate amount and evidencing the NJCEP Program Manager's nose inputs as required by the program's policies and procedures. |
| Maura Watk | Date: 03-08-2022 ins trol – TRC Companies |
| Application No.: | 62197 |
| Applicant: | Monroe Township Board of Education |
| Payee: | Monroe Township Board of Education |

Committed Amount: \$512,438.68