

Agenda Date: 10/12/22

Agenda Item: 8H

#### STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

		CLEAN ENERGY
IN THE MATTER OF THE CLEAN ENERGY PROGRAM	)	ORDER
AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL	)	
ENERGY EFFICIENCY INCENTIVES EXCEEDING	)	
\$500,000 – VERIZON NEW JERSEY, INC.	)	DOCKET NO. QO22080478

#### Parties of Record:

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel **Anna Rice, Senior Analyst**, Verizon New Jersey Inc.

#### BY THE BOARD:

The New Jersey Board of Public Utilities ("Board" or "BPU") through New Jersey's Clean Energy Program ("NJCEP") provides several individual commercial and 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 ("ECMs"). NJCEP can incentivize large energy users to upgrade or install ECMs in existing buildings and to help offset these capital costs. Incentives are also available for projects involving distributed energy resources. 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. E007030203, Order dated May 3, 2013.

The Large Energy Users Program ("LEUP") fosters self-investment in EE and combined heat and power projects for New Jersey's largest C&I customers. Incentives are awarded to customers that satisfy the program's eligibility and program requirements for investing in self-directed energy projects that are customized to meet the requirements of the customers' existing facilities, while advancing the State's EE, conservation, and greenhouse gas reduction goals.

By this Order, the Board considers the application of Verizon New Jersey, Inc. ("Company"), submitted on August 3, 2021 under the Fiscal Year 2022 ("FY22") LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY22 dated June 24, 2021. The project is located at 17 of the Company's telecommunication facilities throughout New Jersey. The applicant requests a total financial incentive of \$1,190,667.53 for a project that will cost \$1,862,716.

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#### The locations include:

- 1 Verizon Way, Basking Ridge, NJ 07920
- 1067 Stuyvesant Ave, Union, NJ 07083
- 119 Washington St, Toms River, NJ 08753
- 147 Morristown Rd. Bernardsville, NJ 07924
- 172 W Main St, Somerville, NJ 08876
- 204 E High St, Bound Brook, NJ 08805
- 205 Lathrop Ave, Boonton, NJ 07005
- 215 S 3rd St, Hammonton, NJ 08037
- 216 Lexington Ave, Lakewood, NJ 08701
- 3500 Pacific Ave, Wildwood, NJ 08260
- 36 S Morris St, Dover, NJ 07801
- 423 W Washington Ave, Pleasantville, NJ 08232
- 5 Focer St, Glassboro, NJ 08080
- 507 Bangs Ave, Asbury Park, NJ 07712
- 515 South Ave, Dunellen, NJ 08812
- 76 N Pearl St, Bridgeton, NJ 08302
- 846 Mountain Ave, New Providence, NJ 07974

At the Basking Ridge facility, the Company will optimize the chiller plant by installing variable frequency drives to the existing primary chilled water and condenser water pumps and upgrading the existing Siemens building management system with additional software to control the pumps in conjunction with the chillers and cooling towers. At the other 16 facilities, the Company will replace the existing fluorescent, metal halide, and CFL fixtures with new, lower-wattage light-emitting diode ("LED") fixtures.

The project is anticipated to annually save 3,608,083 kWh of electricity and 263.92 kW in peak demand. The proposed project will have an estimated annual energy cost savings of \$409,454.82, as well as operational and maintenance savings of \$85,107.40. The payback period without incentives is 3.77 years; when factoring in the incentives, the payback period is reduced to 1.36 years.

TRC Environmental Corporation ("TRC"), the Program Manager engaged by the Board to manage the NJCEP LEUP, 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 recommends approval of the above-referenced application.

The Board <u>HEREBY ORDERS</u> the approval of the aforementioned application for the total estimated incentive amount of \$1,190,667.53 for Verizon New Jersey, Inc. and <u>AUTHORIZES</u> issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

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The effective date of this Order is October 19, 2022.

DATED: October 12, 2022

**BOARD OF PUBLIC UTILITIES** 

BY:

JØSEPH L. FIORDALISO PRESIDENT

COMMISSIONER

COMMISSIONER

ROBERT M. GORDON

COMMISSIONER

DR. ZENON CHRISTODOULOU

COMMISSIONER

ATTEST:

CARMEN D. DIAZ **ACTING SECRETARY** 

HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

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# IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – VERIZON NEW JERSEY, INC.

#### **DOCKET NO. Q022080478**

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

	<b>A Watkins</b> , TRC Companies Quality Control, hereby certify sewed the application referenced below and determined that, as
equipment ince approval to con those policies a	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 nd 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.
Maur By:	a Il Watkins  Date: 08-01-2022
Maura Watk	
Quality Con	trol – TRC Companies
Application No.:	67459
Applicant:	Verizon New Jersey Inc.
Payee:	Verizon New Jersey Inc.

Committed Amount: **\$1,190,667.53**