

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st 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)
PROGRAM ENERGY EFFICIENCY INCENTIVES)
EXCEEDING \$500,000 - NORTH BRUNSWICK)
TOWNSHIP BOARD OF EDUCATION) DOCKET NO. QO20060449

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel **Rosa Hock, Business Administrator**, North Brunswick Township Board of Education

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 of installing energy efficient technologies such as lighting, HVAC, and other energy conservation measures. Incentives are also available for projects involving distributed energy resources. The Pay for Performance Program 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 re 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 Pay for Performance – Existing Buildings ("P4P-EB") Program uses a comprehensive, whole-building 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 Energy Reduction Plan ("ERP") scope revision for the North Brunswick Township Board of Education in North Brunswick, New Jersey made in February 2022. The North Brunswick Township Board of Education submitted its original application on September 1, 2019 under the Fiscal Year 2020 ("FY20") P4P-EB Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY19 that the Board approved on July

10, 2019. In re New Jersey's Clean Energy Program – Fiscal Year 2020 Protocols to Measure Resource Savings, BPU Docket No. QO19040471, Order dated July 10, 2019. The project is located at North Brunswick Township High School, 98 Raider Road, North Brunswick, New Jersey 08902. The Board approved the original project scope and incentive of \$663,769.26 on July 15, 2020, with an effective date of July 25, 2020. In re Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000 – North Brunswick Township Board of Education, BPU Docket No. QO20060449, Order dated July 15, 2020.

In February 2022, the applicant requested an additional incentive of \$42,365.30, which increases the total incentive to \$706,134.56 for a project that will cost \$4,293,635.

The scope revision would include the installation of refrigeration controls and the replacement of existing motors with electronically commutated motors for a walk-in cooler and a walk-in freezer.

The project scope revision would result in the following revised incentive breakdown and savings. The estimated first incentive, for submitting a complete ERP prepared by an approved program partner, is \$50,000. The estimated second incentive, for the installation of recommended measures per the ERP, is \$328,067.28. The estimated third incentive, for completing the Post-Construction Benchmarking Report demonstrating achieved energy savings, is \$328,067.28. The second and third incentives include enhanced incentives, and all incentive amounts are within entity cap guidelines. The project is anticipated to annually save 1,386,238 kWh of electricity and 17,599 therms of natural gas. The project will also reduce peak demand by an anticipated 649.4 kW per year. The proposed project will have an estimated annual energy cost savings of \$160,521.51. The payback period without incentives is 26.75 years; when factoring in the incentives, the payback period is reduced to 22.35 years.

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

The Board <u>HEREBY ORDERS</u> the approval of the aforementioned application for the additional estimated incentive amount of \$42,365.30 and total estimated incentive amount of \$706,134.56 for the North Brunswick 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 December 14, 2022.

DATED: December 7, 2022

BOARD OF PUBLIC UTILITIES

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ATTEST:

CARMEN D. DIAZ OF ACTING SECRETARY

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

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 - NORTH BRUNSWICK TOWNSHIP BOARD OF EDUCATION

DOCKET NO. QO20060449

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