



Agenda Date: 2/27/19
Agenda Item: 8A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
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 – MACK-CALI)
REALTY, LP) DOCKET NO. QO19010008

Parties of Record:

Jeffery E. Grant, Mack-Cali Realty, LP
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

The New Jersey Board of Public Utilities ("Board") through its New Jersey Clean Energy Program ("NJCEP") includes several individual Commercial & Industrial ("C&I") Energy Efficiency ("EE") Programs targeting the commercial and industrial 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. 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 (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 energy efficiency, conservation, and greenhouse gas reduction goals.

By this Order, the Board considers the application of Mack-Cali Realty, LP, in Parsippany, New Jersey, submitted on June 30, 2016 under the Fiscal Year 2016 ("FY16") LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY16, dated April 27, 2016. The project is located at the existing central plant at Plaza II-III Harborside, Jersey City, New

Jersey. The applicant requests a total financial incentive of \$979,909.25 for a project that will cost \$1,697,111.00.

The measures proposed for this project are designed to improve the efficiency of the building's central plant. Specifically, this project proposes replacing the pressure bypass system with a variable speed condenser water pumping system, upgrading the cooling tower to include a system with variable frequency drives ("VFDs"), retrofitting VFDs to condenser water pumps, and overhauling the Building Automation System ("BAS") to produce condenser water as efficiently as possible. These central plant upgrades will result in a much more efficient heating and cooling system that provides only what the building needs based on demand.

Annually, this project is anticipated to save 3,365,304 kWh of electricity and reduce peak demand by 162.13 kW. The proposed project will have an estimated annual energy cost savings of \$192,158.00. The payback period without incentives is 8.83 years; when factoring in the incentives, the payback period is reduced to 3.72 years. Implementation of these measures will also assist in compliance with P.L. 2018, c. 17, § C.48:3-87.10, which requires the owner or operator of commercial buildings over 25,000 square feet to benchmark the building's energy and water use. The required inspection of sites that receive funding through the LEUP following the installation of energy efficient measures will not only help to ensure adherence to agreed-upon performance and energy savings baselines, but will also allow for a more defined pathway for commercial building owners to report their energy usage.

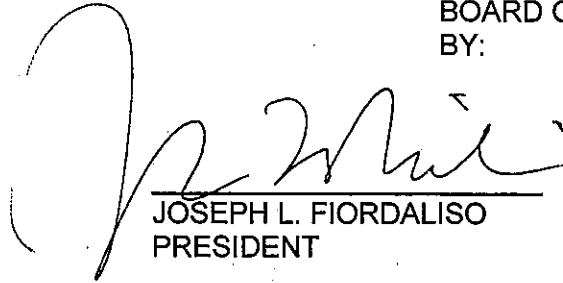
TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP LEUP program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the 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 the Program Manager and Program Administrator, Board Staff recommends approval of the above-referenced application.

The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$979,909.25 for Mack-Cali Realty, LP, and **AUTHORIZES** 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 March 9, 2019.

DATED: 2/27/19

BOARD OF PUBLIC UTILITIES
BY:



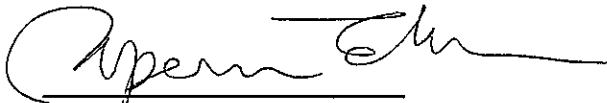
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER

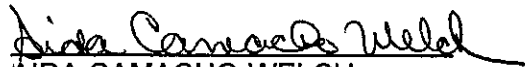


UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
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 –
MACK-CALI REALTY, LP

DOCKET NO. QO19010008

SERVICE LIST

Jeffrey E. Grant
Mack-Cali Realty, LP
7 Sylvan Way, Suite 300
Parsippany, NJ 07054

Stefanie A. Brand, Esq., Director
Division of Rate Counsel
Post Office Box 003
Trenton, NJ 08625-0003
sbrand@rpa.nj.gov

TRC Energy Solutions:
900 Route 9 North, Suite 404
Woodbridge, NJ 07095

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

Marybeth Brenner
Associate Vice President
mbrenner@trcsolutions.com

Valentina Rozanova
Associate Director, Engineering
vrozanova@trcsolutions.com

Brian Deluca
Program Manager
bdeluca@trcsolutions.com

Maura Watkins
Manager, Technical Support
mwatkins@trcsolutions.com

Michael Ambrosio
Director, Policy and Planning
317 George Street, Suite 520
New Brunswick, NJ 08901
mambrosio@trcsolutions.com

Board of Public Utilities
Post Office Box 350
Trenton, NJ 08625-0350

Aida Camacho-Welch
Secretary of the Board
board.secretary@bpu.nj.gov

Stacy Ho Richardson, Esq.
Counsel's Office
stacy.richardson@bpu.nj.gov

Division of Clean Energy

Sara Bluhm Gibson, Director
sara.bluhm@bpu.nj.gov

Sherri Jones, Assistant Director
sherri.jones@bpu.nj.gov

Benjamin S. Hunter, Manager
benjamin.hunter@bpu.nj.gov

Mahogany A. Hall, Program Specialist 2
mahogany.hall@bpu.nj.gov

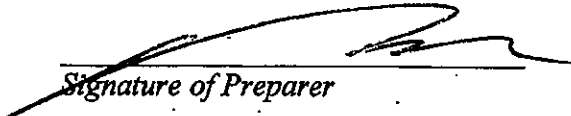
Benjamin Goldstein
Program Specialist Trainee
benjamin.goldstein@bpu.nj.gov

Deputy Attorneys General
Department of Law & Public Safety
Division of Law
Post Office Box 45029
Newark, NJ 07101-45029

Caroline Vachier, DAG
caroline.vachier@law.njoag.gov

Peter Van Brunt, DAG
peter.vanbrunt@law.njoag.gov

The undersigned preparer attests that, to the best of their knowledge and belief, the above information is accurate and the subject project application adheres to the current terms and conditions of the Large Energy Users program.


Signature of Preparer

12/20/18
Date

Brian DeLuca
Name of Preparer

A1874
App#

1. Application Number: **41874**
2. Application Received Date and Compliance Filing: **6/30/2016, FY16 Large Energy Users Program, FY2016 Filing dated 4/27/2016**
3. Customer Contact (name, company, address, phone #):

**Jeffrey E. Grant
Mack-Cali Realty, L.P.
7 Sylvan Way, Suite 300
Parsippany, NJ 07054
(732) 590-1527**
4. Project Name and Address:
**Central Plant VFD Retrofit
Plaza II-II Harborside
Jersey City, NJ 07311**
5. Rebate amount: **\$979,909.25**
6. Brief description of measures:
Upgrades and equipment upgrades in the existing central plant at Plaza Harborside in Jersey City. Replacement of pressure bypass with variable frequency drive flow control. Replacement of cooling tower with 8 x 50 HP forced draft fans with 8 x 30 HP induced fans with variable frequency drive, and replacement of soft starts on condenser water pumps with variable frequency drives. Upgrade control system to expand input and outputs for loop pressure control, which will optimize the control scheme to minimize plant energy for all ambient conditions.
7. Annual Estimated Energy Savings:
**3,365,304 kWh
162.13 kW peak demand
0 therms**
8. Annual Estimated Energy Cost Savings: **\$192,158.00**
9. Project cost: **\$1,697,111.00**
10. Operational and Maintenance Savings: **\$0**
11. Simple Payback Period: **8.83 years without incentive; 3.72 years with incentive**

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

I, **Maura Watkins**, TRC Solutions Quality Control, hereby certify that, I have reviewed the application referenced below and determined that, as required by the policies and procedures applicable to the program, (1) the equipment incentives for which the NJCEP Program Manager now seeks approval to commit NJCEP funds have been calculated in accordance with those policies and procedures, and (2) that the amount shown below is the true and accurate estimated incentive for which the applicant(s) is(are) eligible.

Additionally, for incentives based on estimated energy savings that are uniquely calculated, including the Pay for Performance Program, Large Energy Users Program, and the Combined Heat and Power Program, I also certify that I was able to locate and review documentation supporting the inputs used to calculate the rebate amount and evidencing the NJCEP Program Manager's evaluation of those inputs as required by the program's policies and procedures.

Maura H Watkins

By: _____

Date: 12-21-2018

Maura Watkins

Quality Control – TRC Solutions

Application No.: 41874

Applicant: Mack-Cali Realty, LP

Payee: Mack-Cali Realty, LP

Committed Amount: \$979,909.25