



Agenda Date: 6/12/19  
Agenda Item: 8C

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://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. QO19050607

**Parties of Record:**

**Jeffrey E. Grant**, Senior Director of Corporate Energy, 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" or "BPU") 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 ("ECMs"). Incentives are also available for projects involving Distributed Energy Resources ("DER"). 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 concerning projects in Jersey City, New Jersey, and Fort Lee, New Jersey, both submitted on February 6, 2017 under the Fiscal Year 2017 ("FY17") LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY17, dated June 28, 2016. One project is located at 101

Hudson Street, Jersey City, New Jersey 07302, and the other is located at One Bridge Plaza, Fort Lee, New Jersey 07024. The applicant requests a total financial incentive of \$924,835.44 for projects that will cost a combined \$1,798,071.

The proposed ECMs vary slightly by location. In Jersey City, the Company will install variable frequency drives ("VFDs") to central plant equipment to allow fans and pumps to meet heating and cooling load requirements while conserving energy. Additionally, the building management system will be upgraded to take advantage of the VFDs in order to optimize efficiency based on internal demand and outside ambient temperatures. In Fort Lee, VFDs will be added to the central chilled water plant system, VFD-driven fans will replace the existing fixed speed cooling tower fan motor, and the building management system will be upgraded to take advantage of the VFDs in order to optimize efficiency based on internal demand, outside ambient temperatures, carbon dioxide ventilation demand, and building static pressure.

Put together, the ECMs across both locations are anticipated to conserve 4,583,087 kWh of electricity annually and will also reduce peak demand by 207 kW annually. The proposed project will have an estimated annual energy cost savings of \$199,037. The payback period without incentives is 9.03 years; when factoring in the incentives, the payback period is reduced to 4.39 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.

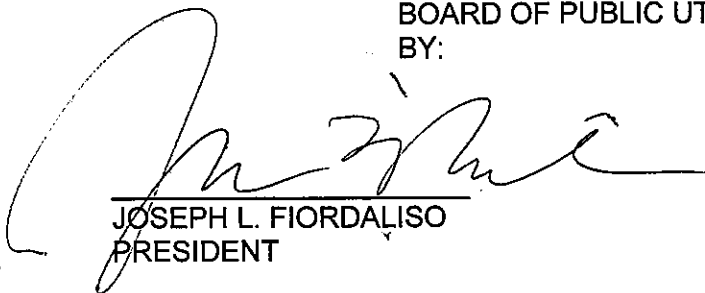
TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP LEUP program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the 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 \$924,835.44 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 June 22, 2019.

DATED: 6/12/19


BOARD OF PUBLIC UTILITIES  
BY:



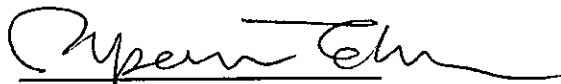
JOSEPH L. FIORDALISO  
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MARY-ANNA HOLDEN  
COMMISSIONER



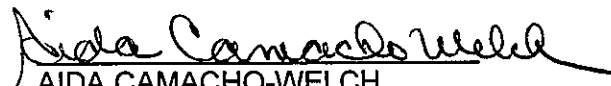
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COMMISSIONER



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. QO19050607

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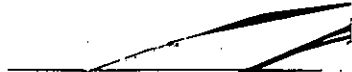
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*The undersigned preparer attests that, to the best of their knowledge and belief, the above information is accurate and the subject project application adheres to the current terms and conditions of the Large Energy Users program.*

  
Signature of Preparer

5/10/19  
Date

Brian De Luca  
Name of Preparer

44551  
App#

1. Application Number: **44551**
2. Application Received Date and Fiscal Year: **2/6/2017, FY17 Large Energy Users Program**
3. Compliance Filing: **FY2017 Compliance Filing dated 6/28/2016**
4. Customer Contact (name, company, address, phone #):

**Jeffrey E. Grant  
Senior Director of Corporate Energy  
Mack-Cali Realty, LP  
7 Sylvan Way  
Parsippany, NJ 07054  
732-550-1527**

5. Project Name and Address:  
**Central Plant Upgrades and Optimization**

**Site #1  
101 Hudson Street  
Jersey City, NJ 07302**

**Site #2  
One Bridge Plaza  
Fort Lee, NJ 07024**

6. Rebate amount: **\$924,835.44**

7. Brief description of measures:

**Site #1 – Jersey City**

**Add variable frequency drives (VFDs) to central plant equipment including primary and secondary chilled water, condenser water, boiler water pumps and cooling tower fans to allow fan and pumps to save energy by operating at lower speeds while continuing to meet cooling or heating load requirements. Upgrades to building management system to take advantage of variable frequency drives in order to optimize boilers and chillers operation based on outside ambient temperatures and internal load conditions.**

**Site #2 – Fort Lee**

**Add variable frequency drives (VFDs) to central chilled water plant equipment including chilled water pumps and condenser water pumps. Replacement of existing fixed speed cooling tower fan motor with VFD-driven fans. Upgrades to building management system to take advantage of variable frequency drives in order to optimize chiller and air handling efficiency based on outside ambient temperatures, internal load conditions, CO2 ventilation demand and building static pressure.**

**8. Annual Estimated Energy Savings:**  
**4,583,087 kWh**  
**207.0 kW peak demand**  
**0 therms**

**9. Annual Estimated Energy Cost Savings: \$199,037.00**

**10. Project cost: \$1,798,071.00**

**11. Operational and Maintenance Savings: \$0.00**

**12. Simple Payback Period: 9.03 years without incentive; 4.39 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: 05-14-2019

**Maura Watkins**

Quality Control – TRC Solutions

Application No.: 44551

Applicant: Mack-Cali Realty, LP

Payee: Mack-Cali Realty, LP

Committed Amount: \$924,835.44