

# STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 9<sup>th</sup> Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

		CLEAN ENERGY
IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – PASSAIC COUNTY	) ) )	ORDER
COURTHOUSE COMPLEX	)	DOCKET NO. QO20090604

#### Parties of Record:

Richard Cahill, Business Administrator, Passaic County 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 and 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. 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 and 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, whole-building approach to energy efficiency in existing commercial and industrial buildings or eligible multifamily 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 ensure that the estimated savings levels are achieved. Each incentive is released as the project reaches each of three milestones.

By this Order, the Board considers the application of Passaic County, submitted on February 19, 2020, under the Fiscal Year 2020 ("FY20") P4P – EB Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY20 dated January 8, 2020. The project is located at the Passaic County Courthouse Complex, 71-77 Hamilton Street, Paterson, New Jersey. The applicant requests a total financial incentive of \$578,865.92 for a project that will cost \$2,574,688.23.

The Courthouse Complex comprises three interconnected buildings totaling 282,000 square feet. Through this application, Passaic County proposes to install upgrades such as new interior and exterior LED lighting, air sealing to prevent heat leakage, high efficiency transformers, and a high efficiency hot water heater. Additionally, the county would replace existing fan motors with efficient models that have variable frequency drives, replace the existing steam system with high efficiency gas condensing boilers, and incorporate building management system upgrades to control the complex's HVAC system.

The estimated first incentive, for purchase of the equipment, is \$42,300.00. The estimated second incentive, for completed installation of the system, is \$268,282.96. The estimated third incentive, granted after acceptance and confirmation of required performance threshold data, is \$268,282.96. These incentive amounts are within entity cap guidelines. On an annual basis, the proposed project is anticipated to: conserve 938,434 kWh of electricity and 24,730 therms of natural gas, reduce peak demand by 190 kW, and result in energy cost savings of \$130,059.50. The payback period without incentives is 19.8 years; when factoring in the incentives, the payback period is reduced to 15.3 years.

TRC Environmental Corporation, 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 the Program Manager and Program Administrator, 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 \$578,865.92 for Passaic County 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 November 28, 2020.

DATED: November 18, 2020

**BOARD OF PUBLIC UTILITIES** 

BY:

**PRESIDENT** 

**COMMISSIONER** 

lay-Anna Holden

DIANNE SOLOMON **COMMISSIONER** 

UPENDRA J. CHIVUKULA

**COMMISSIONER** 

**ROBERT M. GORDON** COMMISSIONER

ATTEST:

AIDA CAMACHO-WELCH

**SECRETARY** 

# IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 - PASSAIC COUNTY COURTHOUSE COMPLEX

#### **DOCKET NO. QO20090604**

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