

# STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

IN THE MATTER OF THE CLEAN ENERGY PROGRAM ) ORDER AUTHORIZATION OF COMMERCIAL AND ) INDUSTRIAL PROGRAM ENERGY EFFICIENCY ) INCENTIVES EXCEEDING \$500,000 – VERIZON NEW ) JERSEY INC. ) DOCKET NO. QO21101158			<u>CLEAN ENERGY</u>
•	AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – VERIZON NEW	) ) ) )	ORDER  DOCKET NO. QO21101158

### 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 its New Jersey Clean Energy Program ("NJCEP") provides several individual Commercial & 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"). The 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 ("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. 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 18, 2020 under the Fiscal Year 2020 ("FY20") LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY20 dated July 29, 2020. The project is located at eighteen (18) of the Company's telecommunication facilities throughout New Jersey.

The applicant requests a total financial incentive of \$679,282.53 for a project that will cost \$1,354,783.80.

## The locations include:

- 13 Brainerd Street, Mount Holly, NJ 08060
- 15 East Maple Avenue, Merchantville, NJ 08109
- 2 West 29th Street, Bayonne, NJ 07002
- 201 Centennial Avenue, Piscataway, NJ 08554
- 23 Home News Row, New Brunswick, NJ 08901
- 2360 Nottingham Way, Mercerville, NJ 08619
- 239 Nassau Street, Princeton, NJ 08540
- 243 East State Street, Trenton, NJ 08608
- 318 Cranbury Road, East Brunswick, NJ 08816
- 32 Maple Place, Keyport, NJ 07735
- 35 Broadway, Laurel Springs, NJ 08021
- 35 South Haddon Avenue, Haddonfield, NJ 08033
- 420 Park Avenue, Plainfield, NJ 07060
- 5 North Maple Avenue, Marlton, NJ 08053
- 505 Main Street, Metuchen, NJ 08840
- 575 Shrewsbury Avenue, Shrewsbury, NJ 07702
- 600 Horizon Drive, Robbinsville, NJ 08691
- 90 West Milton Avenue, Rahway, NJ 07065

The Company will replace 12,515 existing fluorescent, metal halide, and CFL fixtures with new light-emitting diode ("LED") fixtures in these telecommunication facility buildings. The new fixtures have a lower wattage than the existing fixtures do.

The project is anticipated to generate 2,058,431 kWh of electricity annually and reduce peak demand by 399.37 kW per year. The proposed project will have an estimated annual energy cost savings of \$186,635.99, as well as operational and maintenance savings of \$132,627.20. The payback period without incentives is 7.26 years; when factoring in the incentives, the payback period is reduced to 3.62 years.

On March 24, 2021, the Board approved a revision to the LEUP that requires that lighting may not constitute more than 50% of the energy savings of a single energy plan. This change was designed to encourage comprehensive projects with deeper energy savings and to better align LEUP's lighting incentives with the generally lower lighting incentives provided by the SmartStart Program, thereby maximizing energy savings using limited funds. However, because the Company submitted its application on August 18, 2020 and the Order went into effect on April 3, 2021, the project is not subject to the new requirement.

TRC Environmental Corporation ("TRC"), the Program Manager engaged by the Board to manage the 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

<sup>&</sup>lt;sup>1</sup> <u>In re the Clean Energy Order Programs and Budget for Fiscal Year 2021 – True-up and Revised Budgets and Program Changes</u>, BPU Docket No. QO20080539, Order dated March 24, 2021.

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.

After thorough review of the record and Staff's recommendation, the Board <u>HEREBY ORDERS</u> the approval of the aforementioned application for the total estimated incentive amount of \$679,282.53 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.

The effective date of this Order is December 8, 2021.

DATED: December 1, 2021

**BOARD OF PUBLIC UTILITIES** 

BY:

JOSEPH L. FIORDALISO

PRESIDENT

MARY-ANNA HOLDEN

COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

DIANNE SOLOMON 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 – VERIZON NEW JERSEY INC.

#### **DOCKET NO. QO21101158**

## SERVICE LIST

Anna Rice, Senior Analyst Verizon New Jersey Inc. 295 Parkshore Drive, Building A (2nd Floor) Folsom, CA 95630 anna.rice@verizonwireless.com

Brian O. Lipman, Esq., Director New Jersey Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Floor Post Office Box 003 Trenton, NJ 08625-0003 blipman@rpa.nj.gov

## TRC Environmental Corporation

317 George Street, Suite 520 New Brunswick, NJ 08901

Carl Teter, P.E., LEED AP Vice President <a href="mailto:cteter@trccompanies.com">cteter@trccompanies.com</a>

Marybeth Brenner
Associate Vice President
mbrenner@trccompanies.com

Michael Ambrosio
Director, Policy and Planning
mambrosio@trccompanies.com

Valentina Rozanova
Associate Director, Engineering
<a href="mailto:vrozanova@trccompanies.com">vrozanova@trccompanies.com</a>

Thomas Kowalczyk
Manager, Regulatory Compliance
tkowalczyk@trccompanies.com

Maura Watkins
Manager, Technical Support
mwatkins@trccompanies.com

# 44 South Clinton Avenue, 1<sup>st</sup> Floor Post Office Box 350 Trenton, NJ 08625-0350

**Board of Public Utilities** 

Aida Camacho-Welch, Secretary Board.secretary@bpu.ni.gov

Bob Brabston, Esq., Executive Director robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov

Taryn Boland, Chief of Staff <a href="mailto:taryn.boland@bpu.nj.gov">taryn.boland@bpu.nj.gov</a>

## General Counsel's Office

Abe Silverman, Esq., General Counsel abe.silverman@bpu.nj.gov

Carol Artale, Esq., Deputy General Counsel carol.artale@bpu.nj.gov

David Schmitt, Legal Specialist <a href="mailto:david.schmitt@bpu.nj.gov">david.schmitt@bpu.nj.gov</a>

## Division of Clean Energy

Kelly Mooij, Director kelly.mooij@bpu.nj.gov

Stacy Ho Richardson, Esq. Deputy Director <a href="mailto:stacy.richardson@bpu.nj.gov">stacy.richardson@bpu.nj.gov</a>

Dustin Wang, Program Specialist Trainee dustin.wang@bpu.ni.gov

Brian DeLuca Senior Program Manager bdeluca@trccompanies.com

Leigh Cignavitch
Associate Project Manager
<a href="mailto:lcignavitch@trccompanies.com">lcignavitch@trccompanies.com</a>

Alex Witzl
Project Engineer III
awitzl@trccompanies.com

# **Division of Law**

Department of Law & Public Safety Division of Law Richard J. Hughes Justice Complex 7<sup>th</sup> Floor West 25 Market Street, Post Office Box 112 Trenton, NJ 08625-0112

David Apy, Assistant Attorney General <a href="mailto:david.apy@law.njoag.gov">david.apy@law.njoag.gov</a>

Daren Eppley, Section Chief, DAG daren.eppley@law.njoag.gov

Pamela Owen, Assistant Section Chief, DAG pamela.owen@law.njoag.gov

Matko Ilic, DAG matko.ilic@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.

Brian DeLuca	10/7/2021
Signature of Preparer	Date
Brian DeLuca	63236
Name of Preparer	$\overline{App} \#$

- 1. Application Number: 63236
- Application Received Date and Fiscal Year: 8/18/2020, FY20 Large Energy Users Program
- 3. Compliance Filing: FY2020 Compliance Filing dated 7/29/2020
- 4. Customer Contact (name, company, address, phone #):

Anna Rice Senior Analyst Verizon New Jersey Inc. 295 Parkshore Dr, Building A (2<sup>nd</sup> Floor) Folsom, CA 95630

5. Project Name and Address:

**Lighting Upgrades** 13 BRAINERD ST, MOUNT HOLLY, NJ 08060 15 E MAPLE AVE, MERCHANTVILLE, NJ 08109 **2 W 29TH ST, BAYONNE, NJ 07002** 201 CENTENNIAL AVE, PISCATAWAY, NJ 08554 23 HOME NEWS ROW, NEW BRUNSWICK, NJ 08901 2360 NOTTINGHAM WAY, MERCERVILLE, NJ 08619 239 NASSAU ST, PRINCETON, NJ 08540 243 E STATE ST, TRENTON, NJ 08608 318 CRANBURY RD, EAST BRUNSWICK, NJ 08816 32 MAPLE PL, KEYPORT, NJ 07735 35 BROADWAY, LAUREL SPRINGS, NJ 08021 35 S HADDON AVE, HADDONFIELD, NJ 08033 420 PARK AVE, PLAINFIELD, NJ 07060 **5 N MAPLE AVE, MARLTON, NJ 08053** 505 MAIN ST, METUCHEN, NJ 08840

575 SHREWSBURY AVE, SHREWSBURY, NJ 07702 600 HORIZON DR, ROBBINSVILLE, NJ 08691 90 W MILTON AVE, RAHWAY, NJ 07065

- 6. Rebate amount: \$679,282.53
- 7. Brief description of measures:

Verizon plans to replace 12,515 existing fluorescent, metal halide and CFL fixtures with new LED fixtures across 18 telecommunication facility buildings throughout New Jersey. The new LED fixtures use less wattage compared to existing fixtures.

8. Annual Estimated Energy Savings:

2,058,431 kWh 399.37 kW peak demand 0 therms 9. Annual Estimated Energy Cost Savings: \$186,635.99

10. Project cost: \$1,354,783.80

11. Operational and Maintenance Savings: \$132,627.20

12. Simple Payback Period: 7.26 years without incentive; 3.62 years with incentive

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

that, I have revi required by the equipment ince approval to cor those policies a	a Watkins , TRC Corewed the application refered policies and procedures application referentives for which the NJCEP mmit NJCEP funds have been approcedures, and (2) that estimated incentive for which	enced below ar oplicable to the Program Manag en calculated in t the amount sh	nd determined that, as program, (1) the ger now seeks a accordance with own below is the true
calculated, incl Program, and the able to locate of calculate the re	r incentives based on estimalluding the Pay for Performane Combined Heat and Porand review documentation abate amount and evidences inputs as required by the	nce Program, Lower Program, I consupporting the incident	arge Energy Users also certify that I was inputs used to Program Manager's
Maura Watk	ins trol - TRC Companies	Date: _	10-06-2021
Application No.:	63236		
Applicant:	Verizon New Jersey Inc.		
Payee:	Verizon New Jersey Inc.		

Committed Amount: \$679,282.53