

**New Jersey's Clean Energy Program  
Energy Efficiency Committee Meeting  
January 7, 2013  
New Jersey Board of Public Utilities  
Trenton, NJ**

**Program Coordinator and Regulatory Updates (Presented by: Mike Winka, Mona Mosser, Mike Ambrosio)**

**2013-2016 Funding Levels / Comprehensive Resource Analysis Proceeding**

- Hearings were originally scheduled for mid-January but were moved back because the BPU is reassessing funding levels and will reschedule the hearings.

**Updates on Filings, Board Orders and Regulatory Items**

- Board approved an SBC Credit program which will provide 50% of annual SBC contributions to applicants.
  - The applications are currently being developed.
  - Anne Marie – NJNG asked when applications will be accepted and Mike Winka's response was that the Board's intention is ASAP.
- Memorandum of Understanding (MOU) with EDA was extended and revised with minor changes.

**Update on NJCEP Program Administrator RFP**

- AEG, Honeywell and TRC contracts were extended through June 30, 2013.
- The RFP is scheduled to be included on the January 23 Agenda
- The decision was pushed back due to storm response and related activities. There will be a 90 day transition period.

**Hurricane Sandy Response Process and Timing**

- A Board-issued response to the Honeywell and TRC proposals is in the works for January.
- Any work that's completed in response to the storm will be eligible for incentives retroactively as of October 29, 2012.
- The news of a storm response program has not yet officially been released, according to Mike and Mona.

**Residential Programs – Honeywell Team**

**2012 Program Updates**

- COOLAdvantage: Program goal: 11,000 completions; Actual: 11,334 completed
- WARMAdvantage – Saw a decrease in applications submitted in 2012 but expects a big increase in 2013. Program goal: 19,000 completions; Actual: 15,519 completed
- Clothes Washers – Currently 126% of goal. Program goal: 15,000 completions; Actual: 19,278 completed
- CFLs – Ahead of goal: Program goal: 5,050,000 completions; Actual: 5,196,084 completed
- Fridge Recycling – In addition to the numbers shown, an additional 1,000 are scheduled for pick-up and another 1,000 have already been collected and are not included in these results. Program goal: 15,600 completions Actual: 12,726 completed
- Set-Top Boxes – Was not awarded the second half of 2012 but Honeywell expects this to increase in 2013 since the budget has been extended. Program goal: 65,000 completions; Actual: 45,285 completed
- New Construction – Saw a large spike in participation for December. Program goal: 4,000 completions; Actual: 5,398 completed
- Home Performance Tier 2 – Well below the program goal but Honeywell is hoping for a spike in these enrollments in response to Sandy relief efforts. In 2013, the goal for this program has been adjusted to coincide more with 2012 results and where it should be in hopes of reaching program goals this year.
  - Program goal: 1,470 enrollments; Actual: 141 enrolled
- Home Performance Tier 3
  - Program goal: 3,080 completions; Actual: 3,561 completed

**Home Performance Program**

- December was a good month for both enrollments and completions. This program hit 81% of the program goal with 3,561 projects completed.
  - A multi-family residence applied in December and quickly increased the number of enrollments.
- SEP funding is estimated to run out by the end of February/the beginning of March.
  - Program updates will be communicated to contractors once they become available.

**Question:** In regards to blower door tests, what are the contractor requirements?

**Answer:** The contractors should not be performing blower door tests because mold may still be present in the home and can harm homeowners. This test still requires a BAS calculation and a recommendation if ventilation is needed, per what was agreed upon with BPI. Any further technical questions should be addressed to Don Swift of the Honeywell Market Manager team.

**Question:** Are we still on track for adding credit unions?

**Answer (from Mona):** They are ready to launch in February.

#### 2013 Program Changes & Status

- All program changes have been approved by the Board and are targeted to begin of January 15, 2013. The budgets are posted in the compliance filings.
- There is a new rebate for a .67 EF, ENERGY STAR vented water heater. The incentive will increase for other water heaters from \$300 to \$500 in an effort to encourage homeowners to replace them if they haven't done so already.
- The furnace incentive will be reduced to \$250. A new combination incentive for furnaces and qualifying water heaters will have a \$900 incentive.
- Developing a Pilot NJ Credit Union loan option.

**Question (from Anne Marie):** In the past, changes made to the incentives that were in favor of the customer were active prior to the change date, will that continue?

**Answer (from Honeywell):** No, all changes are targeted to take effect February 15, 2013.

#### **Commercial, Industrial & Local Government Program – TRC Team**

##### 2012 Program Updates

- Direct Install
  - 185 new applications received
  - 143 new approvals/commitments
  - 102 projects approved for payment
- LGEA
  - 72 new applications received
  - 6 new project approvals/commitments
  - 11 projects approved for payment
- Pay for Performance – Existing Buildings
  - 5 new applications received
  - 4 new ERPs received
  - 3 new ERPs approved
  - 2 new installations approved (total of 33 since January 2012)
- Pay for Performance – New Construction
  - No new applications received December (total of 27 since January 2012)
  - 1 new ERP received (total of 13 since January 2012)
  - 4 draft ERPs approved since January 2012 (includes 2011 carryover)
  - 7 proposed ERPs approved since January 2012 (includes 2011 carryover)
  - 2 as-built ERPs received and construction completed
- CHP
  - 2 new applications received (total of 11 since January 2012)
  - 1 new application approved (total of 7 since January 2012)
  - 1 completed CHP project (2MW)
  - 6 projects under review
- LEUP
  - 2011
    - 19 entities enrolled
    - 15 DEEPs approved
    - 9 FEEPs approved

- 2012
  - 16 entities enrolled
  - 11 DEEPs approved
  - 2 FEEP's approved
- SEP Non-IOU
  - 2011–2012 Fiscal Year
    - 11 applications paid & invoiced
    - Remaining budget rolled into 2012–2013 fiscal year
  - 2012 – 2013 Fiscal Year
    - 13 applications currently approved/committed
    - 18 applications invoiced
    - 1 application for P4P 3<sup>rd</sup> incentive is anticipated
  - Total committed/invoiced - \$708,889.65
  - Remaining budget - \$3,960.54 (TRC is seeking a small Direct Install project)

#### 2013 Program Changes

- 2013 applications are already available and are the only ones being accepted by the program.
- LEGA – Incentives will only be available to schools interested in initiating an ESIP program.
- Direct Install – Continues for small businesses but will have a heavy emphasis on smaller schools and municipalities.
- C&I Retrofit and New Construction
  - SmartStart Prescriptive Lighting – Removing T12 incentives starting March 1, 2013
  - Remove incentives for existing CFL (screw-in PAR, new fixtures) beginning January 1, 2013
  - Removing incentives for all LED Exit Signs starting January 1, 2013
  - All Premium Motors incentives will be removed March 1, 2013.
- Small CHP
  - Effective immediately – The previous five year warranty and 15 year lease agreement language will be adjusted to say: Systems installed must be covered by a 10 year warranty or a 10 year service contract.
- LEUP – Program will be suspended in 2013, current participants will be able to continue but no new applications will be accepted.

#### **Hurricane Sandy Response – Honeywell and TRC**

- Storm response will be targeted in areas of qualifying zip codes set forth by the BPU and will be available to other residents that can provide proof of storm damage.
- Units purchased on or after October 29, 2012 and before June 30, 2013 will qualify for enhanced incentives.
- All customers must sign a certification form when submitting the application in order to qualify for storm relief incentives.

#### Honeywell Storm Response (Proposed)

- A \$200 enhanced HVAC rebate will be implemented on qualifying boilers, water heaters and furnaces that are purchased during the dates mentioned above.
- Incentives for high efficiency air conditioners are being discontinued except for storm response applicants.
- The \$50 incentive for washers will be discontinued except for storm response applicants.
- Residential new construction projects are required to take place in designated Smart Growth areas in order to obtain incentives, however, this incentive will be waived for projects in designated storm response areas.

#### TRC Storm Response (Proposed)

- For all prescriptive measures there will be a 50% increase to incentives.
  - Keeping in line with the current terms and conditions, the incentive will be capped at 100% of the material and labor costs.
- Allow customers impacted by the storm be able to participate in Performance Lighting. Current guidelines restrict projects that include major renovations (gut-rehab). Customers will be able to treat individual spaces as projects instead of the existing guideline of treating the entire building.

- The recent filing established a discontinuation of the Premium Motors and T12 replacement incentives as of March 1, 2013. Only for customers impacted by the storm, TRC proposes a revised end date that is consistent with the BPU's decided end date for relief efforts.
- Flexibility to waive pre-inspections.
- The program requires labor invoices to be dated after the approval date of a project. For storm response applicants looking to obtain incentives, both the material and labor invoices must be dated after October 29, 2012.
- Commercial Food Service Enhancements
  - This pilot will be made available for storm response applicants only. Customers that wish to participate will be required to demonstrate storm damage in order to be deemed eligible for food service equipment incentives.

**Questions – Sandy Relief:**

1. What is the eligibility of the program?
  - a. There is an OEM map that identifies red and yellow areas. Customers in the designated zip codes are eligible for the program. If they are not in an identified area on the map, they can submit proof of damage to their business or residence and will be evaluated on a case-by-case basis. Anyone looking to participate must self-certify and submit the certification form along with the application.
2. Are the applications available yet?
  - a. No, the board is still finalizing some last minute items and then the program will be up and running.
3. (For example) If a customer has damage to their siding and decides to replace a water heater, will they qualify for an enhanced incentive?
  - a. Yes, any damage to the location will allow for enhanced incentives.
4. The .67 energy factor water heaters have never been incentivized by the program before but are being added as of February 15, 2013. Can this be made effective immediately and be added to the approved incentives retroactive to October 29, 2012?
  - a. The .67 energy factor water heaters are being offered as of January 1, 2013 for storm response applicants and will be considered for retroactive dates.
5. What are the gas utility matches in regards to the storm response efforts?
  - a. It will remain a dollar-for-dollar match, including the enhancements, as long as they do not exceed 100% of the material and labor costs.

**Next Meeting:** February 14, 2013

**Attendance:**

Name	Company	In Person	By Phone
Ackerman, Elizabeth	BPU	X	
Berlin, Jake	Willdan		X
Bowen, Mark	Franklin Synergy		X
Bryant, Elaine	PSE&G		X
DeLuca, Brian	TRC	X	
Desimpel, Tom	CMC ENERGY SERVICES	X	
Donohue, John	Fuel Merchants Association		X
Ellman, Susan	NJNG	X	
Firari, Fairlie	TRC	X	
Fisk, Andrew	CSG		X
Foster, Rebecca	VEIC		X
Giblin, Noreen	Gibbons P.C.		X
Grossman, Bruce	SJG	X	
Hambric, Steve	Opower	X	
Holland, Dave	Honeywell	X	
Hutchinson, Ed	Hutchinson Mech. Services		X

<b>Name</b>	<b>Company</b>	<b>In Person</b>	<b>By Phone</b>
Markwood, Scott	O&R		X
Mitchell, Allison	BPU	X	
Mosser, Mona	BPU	X	
Napoleon, Alice	Synapse Energy Economics Representing Rate Counsel		X
O'Brien, Nancy	EFS		X
Palmer, Bill	Kamson Corp	X	
Pecora, Tom	Honeywell	X	
Stewart, Patrick	PSI	X	
Teng, Elizabeth	BPU	X	
Tobian, Carol	National Resource Management, Inc.		X
Valdra, Sam	South Jersey Gas	X	
Wolk, Dave	Honeywell	X	
Wong, Doug	BC Express Inc		X
Zukas, Diane	TRC		X
Marshall, Bob	NJ Energy Coalition	X	
Gratz, Ricky	OPower	X	
Solomon, R.	TCNJ	X	
Vieira, Mario	New Millennium Lighting	X	
Adams, Ben	McGrann Associates	X	
Hauber, Fred	Eastern Energy and NALMCO	X	
Chiu, Susanna	PSE&G	X	
Burnet, Jeffrey		X	
Guam, Frank		X	
Gunnar, Jack	LED Transformations	X	
Takahasi, Kenji	Rate Counsel		X
Whitehead, Melissa	Rate Counsel		X
Parlapiano, Bill	PECI		X
Smith, Peter	Renewable Power Inc.		X
Fink, Dave	Renewable Power Inc.		X
Schmidt, Ed	MCR Performance Solutions		X
Hurlbert, Denise	South Jersey Energy Service Plus		X
Albert, Ross	Aritc Air Conditioning		X
Zeglarski, Sandy	New Jersey Economic Development Authority		X
Tesoriero, Steve	Renewable Resource System		X
Miller, Ashley	TRC		X
Wetzel, Linda	Applied Energy Group	X	