

New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting
May 8th, 2012
9:30 to 12:00 noon
New Jersey Board of Public Utilities
44 South Clinton Avenue, Trenton
1st floor Multi-Purpose Conference Room

Program Coordinator and Regulatory Updates

Mike Winka, Mona Mosser, Mike Ambrosio

- 2013-2016 Funding Levels/CRA Proceeding
 - MW. The Board had a special agenda meeting to release the Program Administrator RFP to Treasury and it is still under review. Since the size of the contract is over \$10M, there are several layers of review that have to happen before the RFP becomes final. The transition status is pending on the RFP being issued. In regards to the 2013-2016 funding levels, the straw proposal will likely be distributed around the same time we issue the RFP. One of the documents the Commissioners asked us to put together is a global overview on what the funding level for the SBC has been since 2001 and how much we spent. This will circulate before the release. There is a Market Potential Impact Study that will likely be finalized in August which will help to inform that process.
 - MW/MA. We have asked AEG to put together an evaluation of the current spending programs looking forward. This is really a high level benchmarking of the existing programs, against each other, against programs in other states, and against similar programs. It consists of doing an analysis of the dollars saved vs. dollars spent. A ranking of the programs to help with the discussion of whether we do have to move or reduce the budgets in certain areas. Targeting an end date of late May or early June. This should be available for the next meeting
 - MW. We are looking at how we can allocate this money over the remaining fiscal year. We want to go back to the stakeholders with an idea of where we think budgets will be reduced or delayed until 2013. The issue on budgeting and how the program will proceed and what budgets will be affected by those 252.5 million dollars appropriated.
 - MA. Last July there was 52.5 million lapsed, it's in their fiscal year but in our 2012 budget year. There was no impact on the budget. With the 252.5 million it's a timing issue on when they are going to take that money; whether it will be in this fiscal year or next fiscal year. Right now there is a big issue because there is no funding level for next year as of yet.
 - MW. The presentations from Honeywell and TRC and the requests for comments that we had, we see a number of programs like the retro

commissioning have been put on hold. The decision not to go forward with some programs will become clearer when the RFP is on the street.

- Updates on Filings, Board Orders and Regulatory Items
 - MW. We are still waiting on a few questions/interpretations regarding the SBC law. There was a window of opportunity to make some changes in this law, but that window has closed. We are going to proceed with what we have on the books. We anticipate a stakeholder meeting and the development of a high level draft proposal.
 - MW. The Pace program. We will probably see something out of DCA relatively soon. The bill is in their court to manage. There is a work around that has been developed and a rule making on the federal level on how to proceed. DCA will be coming out with a stakeholder process and as soon as we understand better what they are doing we will let everyone know. There is a solar bill in terms of fire issues and denoting homes that have solar on them, so that if there is a fire they can be aware of the situation. There is also a bill on solar thermal.
 - MW. South Jersey Gas had their 30 day meeting and has filed. There was a rate issue that was on the last agenda that had to go through. We are still looking to see if RGGI actually applies.
 - The residential customer will have two components (\$8K and \$10K). The \$10K component will be for the current financing program for the Home Performance. The \$8K component will be for residential customers who are not able to meet those levels of savings, or choose not to engage in Home Performance but still need replacement. These are both 0% and no money down and the loans will be unsecured. On the C/I side there will be a financing component for customers that have the same kW as Direct Install, up to \$75K. The Natural Gas vehicle component includes granting money to the state county and local governments for vehicles. Finally, there is a social marketing program to try to get customers to engage in better energy efficiency practices and use a social marketing.
 - On the agenda for the 23rd are the EDC solar transition order and the budget order for the 2012 clean up order. For the clean up order, for Honeywell it was some clean up language, no real major changes. For TRC, due to the transition and the inability to get changes to the contract, the new programs are not moving forward right now. It proposes changes to LGEA and the DI program. For the local government direct install program they were using ARRA funds and they were authorized to use clean energy fund to finish up the applications.
 - MA. There was a new proposed program to provide incentives for removal of the T12 from schools. The high level proposal went out the end of March (it did not have all the details and specifics). Last week we circulated a more detailed proposal and asked for comments.

- ARRA Activities
 - MW. There is no more funding for ARRA. We have moved all the additional funding into a revolving loan fund. We have some proposals for the revolving loan fund to review.

- Smart Growth
 - MW. Smart growth is on hold. The economic plan came out, but each state agency has to submit a plan.

- Other Items
 - MW. To complement Sustainable Jersey (SJ) initiatives, we are working on a Direct Install outreach effort to local businesses. It will include a letter from President Hannah summarizing what we did with ARRA and EECBG, and show what we are doing with the Direct Install program and letting them know to take advantage of it. SJ Training programs are May 30th, May 31st, and June 5th.
 - MW. We are working on a proposal with the credit union and CSG to offer no/low interest loans. We met with CSG regarding the application process and the next meeting is May 23rd. The issue now is getting the 200 credit unions all on board with this process to make sure everyone is speaking the same language and using the same forms.
 - MW. We are funding Rutgers business website for green energy and energy efficiency in New Jersey and it is called the Clean Energy Resource Network (CERN). The goal is to link the small business and any energy efficient business with markets and advising them of funding opportunities. The NJCEP information is being updated.

Data Center Energy Efficiency

Lloyd Kass & Thomas Hudgens, Willdan

- Willdan Energy solutions is a division of Willdan Group with 600 employees. Data centers are a target of ours.
- There is a window of opportunity here specifically for northern New Jersey for data centers that may not be around in a few years from now. They are growing rapidly and there is a lot of space out there for new datacenters.
- New Jersey's datacenter market is the largest and most attractive as they are in close proximity to NYC and main high traffic areas.
- We have at least 14 active data center EE programs across 12 states. This gives us clear kW and kWh reduction opportunities. Data centers are special facilities that require targeted outreach and technical review.
- New Jersey's active data center market does not currently have a data center-specific energy efficiency program, which is a proven strategy.

Residential Programs

Honeywell Team. 2012 Programs.

- HVAC Cool Advantage is below program goal with 3411 completions vs. the goal of 4,000. We are at 85% of the program goal as we are waiting for things to warm up this year. We have 17 completions in SEP.
- HVAC Warm Advantage is at 6,953 completions vs. 6,800 in the program goal.
- The boiler reset pilot \$175 incentive is now live on the website.
- Clothes washers are at 6,923 against the program goal of 8,500.
- Large appliance recycling is at 2,372 completions against the program goal of 5,350. Direct mail will be accelerated to stimulate this program.
- Consumer Electronics Set Top Box completions are at 10,443.
- ENERGY STAR Homes enrollments are 1,028 against a program goal of 1,280; and completions are 472 against a program goal of 1,270.
- HPwES Tier 2 enrollments are at 54 against a program goal of 294.
- HPwES Tier 2 completions are at 940 against a program goal of 911.
- HPwES Tier 3 completions are at 62 against a program goal of 435.
- HPwES Tier 3 enrollments are at 1,157 against a program goal of 920.
- HPwES Update:
 - Enrollments for April are at 291 and completions for April are at 368.
 - SEP funding through April 2012 is at 28 commitments and 36 completions. There is \$106,561.87 total SEP remaining out of the allocation of \$546,651.71.
 - There are about 274 projects not yet claimed, 610 has funding that is claimed, and completions docs submitted but not processed yet are 155. Honeywell is working to build 2012 participation.
 - NJNG On-Bill repayment plan webinar is May 16th
 - Energy Finance Solutions webinar is May 17th
 - New contractor orientation is May 22nd
 - Contractor general program working group is June 5th
 - New contractor program overview training is June 7th.

Eastern Heating & Cooling Council

Jill Sherako

- YTD 707 technicians trained; 273 technicians trained in orphan water heaters.
- 12 classes remaining and more summer classes to be added to meet demand.
- Our Fall/Winter will be released on July 1st.

Commercial and Industrial Programs

2012 Programs

- For the School Lighting Initiative the request for comments was emailed out on May 4th and comments are due no later than May 10th. The intent is to provide private schools and K-12 public schools with complete T12 fixture replacement covering up to 100% of the installed cost.
 - It is solely focused on T12 so LED, induction, and HID fixtures are excluded.
 - The funding is set at \$6 million.

- Tools for this initiative to be delivered through Smart Start, Direct Install, and Pay for Performance.
- Direct Install saw 114 new applications, with 124 new approvals and commitments and 96 projects approved for payment.
- Local Government Energy Audit has 30 new applications, 10 new approvals, and 42 buildings approved audit reports. Customers who do not meet the requirement of >150kW will be directed into the PSE&G Direct Install Program.
- Pay for Performance has 8 new applications, 6 new ERP's have been received and 4 have been approved. We have 17 installations completed so far in 2012 and 5 post-retrofit benchmark received in 2012 under review currently.
- Combined Heat and Power/Fuel Cells has seen good levels of interest from customers and developers. One issue identified is the long lead time between initial customer contact to the actual submittal of the application.
- LEUP for 2012 has 22 entities submitting enrollment applications. 7 of those did not meet the minimum \$300K contribution requirement.
 - TRC is recommending raising the overall incentive cap from \$1 million to \$4 million, also having a second 45 day open program enrollment period after initial entities have been approved to submit their Draft Energy Efficiency Plan.
- SEP Non-IOU results: 27 SEP applications received, 19 applications committed and approved. 79.5% of the total budget committed/approved. There are 8 applications that exceed current funding levels and staff will advise if additional funding is available.
- 2012 YTD results
 - New Construction – 20 approved
 - New Construction – 37 completions
 - Retrofit – 452 completions
 - LGEAP – 76 approved audits
 - P4P – 17 approved energy reduction plans
 - P4P NC – 2 approved energy reduction plans
 - CHP & Fuel Cells – 3 approved applications
 - Direct Install – 435 Completed installations

UTC Power

Small Fuel Cell/Combined Heat and Power Program

- The current lease language says it's required for fifteen year equipment lease for participation, and UTC is requesting a term update to say at least ten years for a fuel cell equipment lease.
- UTC Power fuel cell stack has a design life of ten years with a total product life of twenty years. This issue is creating a problem when developing projects in NJ.
- This change could also benefit other large fuel cell manufacturers.

Utility Updates

- Ann Marie NJNG

- We are in the process of looking at our programs for 2013. We are close to the point where we would need to file again. We are not in the position where we have carry over funds.
- We just got our website updated for our current program. We are having a contractor meeting on the 17th to review the program changes.
- Sustainable Jersey
 - On ESIP we are contacting all the towns that have applied or are certified. We are working with school districts and talking with county administrators. We are trying to get a pool going to ESIP and have a lot of outreach going on currently.

Other Business, Next Meeting

- Next Meeting is scheduled for June 12th. Currently working on July and August.

Attendees	Company	In Person	By Phone
Ambrosio, Mike	AEG	X	
Bovio, Brian	Bovio Heating		X
Bowen, Mark	Franklin Energy Services		X
Chaplin, Dawn	Honeywell		X
Davidson, Tom	DLB		X
Dempsey, Peter	South Jersey Energy Service Plus	X	
Dolan, Brian	Intellidyne	X	
Dugan, Matt	ICF International		X
England, Cheryl	Elizabethtown	X	
Fagan, Robert	Rate Counsel		X
Flynn, Don	Nexant, Inc		X
Foreman, Sheila	One Change		X
Grossman, Bruce	SJG	X	
Gordon, Angela	Lockheed Martin		X
Haddock, Kyle	EIC, Comfort Home	X	
Hambric, Steve	Opower	X	
Hoff, Kim	CSG	X	
Holland, Dave	Honeywell	X	
Holmes, Bill	SJG	X	
Hudgen, Thomas	Willdan	X	
Ingelido, Rich	ConEdison Solutions	X	
Jones, Sherri	BPU	X	
Kass, Lloyd	Willdan	X	
Kuhn, Nikki	VEIC		X
Mosser, Mona	BPU	X	
Napoleon, Alice	Synapse Energy Economics Representing Rate Counsel		X
O'Donnell, Gina	ETG		X

O'Donnell, Tony	Sustainable Jersey	X	
Paine, Karen	TRC		X
Pecora, Tom	Honeywell	X	
Prusik, Joseph	PSE&G		X
Ryan, Jerry	NJNG	X	
Steigelmann, William	Lockheed Martin Energy Services		X
Takahashi, Kenji	Rate Counsel		X
Tobian, Carol	National Resource Management, Inc.		X
Tong, Elizabeth	BPU	X	
Valora, Sam	South Jersey Gas	X	
Vogel, Mike	ETG	X	
Ward, Lisa	UTC Power		X
Wetzel, Linda	AEG	X	
Winka, Mike	BPU	X	
Wolfe, Sharon	BPU	X	