

New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting
Tuesday, April 21st
Hosted by TRC at CSG/Honeywell Iselin Office

Attendees:

Karen Paine (TRC)	Roger Kliemisch (TRC)	Greg Coleman (TRC)
Mike Winka (NJBP)	Mona Mosser (NJBP)	Scott Sillars (Isles, Inc.)
Linda Wetzel (AEG)	Tom Donadio (JCP&L)	Mike Ambrosio (AEG)
Dave Wolk (Honeywell)	Joe Gennello (Honeywell)	Jeffrey Miller (Quadrillion RE)
Maureen Quaid (CSG)	Robert Ragazine (MES)	Mark McGrann (McGrann Assoc)
Doris Ikle (CMC)	Steven DeFranco (Johnson Controls)	S.Lynn Sutcliffe (Energy Solve)
Mary Sheehy (NJHMFA)	Anne-Marie Perrachio (NJNG)	Julie deSeve (CSG)
Brian Dolan (Intellidyne)	Dawn Chaplin (Honeywell)	Chris Bitters (Energy Solve)
Toria Williams (Honeywell)	Jamal Garner (OCE)	Jill Sherako (EHCC)
Maria Grazul (CSG)	Arthur Pearson (E Cubed Co)	Deane Evans (NJIT)

Via Phone:

Fred Hauber (EES), Joe Carlamere (TRC), Diane Zukas (TRC), Elaine Bryant (PSE&G), Chris Granda (VEIC), Darren Port (DCA), Linda Russo (CSG), Dave Nichol (Rate Counsel)

Program Coordinator and Regulatory Updates:

Presenters: (Mike Winka and Mike Ambrosio)

1. Updates on Filings, Board Orders and Regulatory Items

- Honeywell and TRC to submit true up budget for May 14 agenda.
- Transfer of additional funding into the LGEA programs will hopefully be on May 14 agenda.
- April 6 met with utilities and discussed the energy efficiency filings. Next meeting April 28.
- Energy Master Plan talks about transferring programs back to utilities.
- Due to delays in the contract mods last year looking to apply funds to this year's Clean Energy Programs.
 - Goal is to have these filings approved in June 2009.

2. State Economic Stimulus Plans

- All seven gas and electric utilities have filed for expedited utility infrastructure improvement and energy efficiency initiatives with a focus on creating and maintaining jobs.
 - Filings to supplement and compliment NJCEP.
 - Target date for Board meeting in June.
 - Information on filings on BPU website.

3. Market Manager/Utility Coordination

- Market Managers are working on revising current projects and budget.
- Coordinating program changes and what to do with the additional funding and utility filings.
- What can utilities do to supplement what Market Managers are doing?
- Ongoing discussions with utilities for potential modifications to what was filed in January.

4. Federal Stimulus Funding

- The Federal Economic Stimulus Package is coming together.
- Decisions on funding have not been fully developed.

5. Bill 1185 Update from 04/15 presentation by DCA/Pfeiffer

- Global Climate Change Bill moving quickly with hearings being scheduled
 - Information available on-line.
- The Governor signed two pieces of legislation Chapter 4 and 1185.

6. Sustainable Jersey

- See <http://www.sustainablejersey.com>.
- Is a certification program for municipalities in New Jersey that want to go green, control costs and save money, and take steps to sustain their quality of life over the long term.
- Identifies concrete actions that municipalities can implement to become "certified" and be considered leaders on the path to becoming a sustainable community;
- Provides clear guidance and tools to enable communities to make progress on each action; and
- Provides access to grants, and identifies existing and new incentives for municipalities to make progress toward the actions.

7. Marketing Strategies. What works and what needs to be developed (group discussion).

NEEP Initiatives overview & update

Presenter: Edward J Schmidt, Jr., Director of Regional Initiatives

NEEP Mission:

- Promote the efficient use of energy in homes, buildings and industry in the Northeast U.S. through regionally coordinated programs and policies to achieve a cleaner environment and a more reliable and affordable energy system.

Primary Audiences Served:

- State Policy Makers
- Efficiency Program Administrators

Approach:

- Strategic regional collaboration to overcome barriers to efficiency – public policies and efficiency programs.

NEEP 2009 Goals

- **Increase Northeast states' commitment to energy efficiency** and related demand-side resource policies and programs.
- **Increase the marketplace availability and adoption** of quality energy efficient practices and technologies.
- **Build the regional infrastructure** needed to support a major increase in building energy efficiency as a regional energy and environmental quality resource

Project Areas

- Regional Initiatives
- Public Policy

- EM&V Forum
- Strategic Marketing & Communications
- 2009 Northeast Energy Efficiency Summit
 - NEEP Public Policy Activities

NEEP 2009 Public Policy Projects:

Participants = State agencies, NEEP sponsors and partners, NGOs and other stakeholders

- Public Policy Outreach
- High Performance Buildings
- Appliance Standards
- Building Energy Codes
 - Building Energy Rating Project

NEEP 2009 EM&V Forum Projects

- Glossary of EM&V Terms & Definitions Project
- Survey EM&V Methods and Savings Assumptions
- Survey Existing Energy Efficiency Savings Reporting Requirements and Develop Common Reporting Guidelines
- Load Shape Project - Survey Available Data Sources & Undertake Load Shape Field Research
- C&I Lighting Measure Life and Persistence Project
- Project Planning-Scoping:
 - Survey Net Savings Methods
 - Impact of EE Programs on Advancing Codes and Standards
- M&V Technical Manuals – PJM & ISO New England
- National Coordination
- Annual Public Forum (Fall 2009)

NEEP Initiatives Value Proposition

- Coordination
 - Market aggregation
 - Consistency of message (upstream)
- **Facilitation**
 - Strategy development
 - New & emerging program foci
- **Information**
 - Networking
 - Presence at myriad national venues

NEEP 2009 Regional Initiatives Directors Forum

- The ability to keep supervisory and leadership staff of efficiency program Sponsors well-informed of the strategic directions of working groups, the working group needs for higher level approval and/or

support, and the longer term directions being pursued is critical to ensuring that NEEP's strategic directions are understood and embraced by Sponsors and vice versa.

NEEP 2009 Retail Products Initiative

- Achieve energy and cost savings by: (1) establishing high efficiency lighting, appliances and electronic product options as the preferred customer choice in retail sales in the Northeast and Mid-Atlantic region; and (2) supporting the market introduction of automated home energy management devices

NEEP 2009 HE Home Performance Initiative

- Maximize energy savings in existing homes by: (1) coordinating best practice implementation of whole house programs that treat the home as a system; and (2) establishing highly efficient gas, electric and fuel oil HVAC and domestic hot water systems and best practice installation as the norm in the Northeast and Mid-Atlantic region

NEEP 2009 Commercial Buildings & Technologies

- Capture significant savings from the treatment of commercial and industrial buildings by: (1) coordinating adoption of a comprehensive, systems approach to buildings; (2) addressing all fuels and end-uses and; (3) coordinating use of sector-oriented strategies

NEEP 2009 SSL Initiative

- Capture significant savings from solid state lighting (SSL), without jeopardizing customer satisfaction, by: (1) disseminating technical and market information regarding solid state lighting; and (2) developing and deploying regional strategies for incorporation of the technology into efficiency programs

NEEP 2009 Workforce Development Initiative

- Develop a knowledgeable, trained, and sized workforce to meet the efficiency goals and objectives of energy efficiency program Sponsors and related stakeholders.

Update on Residential Programs

Presenter: Honeywell MM Team

Community Partners Work (Honeywell/TRC)

RNC Proposal

TABLE 1 Building Type	Current NJCEP Tier 1 Incentive (? 4000 sq.ft.)	Additional Incentive (? 4000 sq.ft.)
Single Family	\$500 + \$0.60/sq.ft. Average \$1,580.00	\$500 + \$0.60/sq.ft. Average \$1,580.00
Multiple Single Family ("Townhouse")	\$150 + \$0.60/sq.ft. Average \$1,230.00	\$150 + \$0.60/sq.ft. Average \$1,230.00
Multiple- Family Building ("Multifamily")	\$0.60/sq.ft. Average \$1,080.00	\$0.60/sq.ft. Average \$1,080.00

RNC Proposal

TABLE 2 Building Type	Current NJCEP Tier 2 Incentive The higher of Tier 1 incentives or the flat rate below:	Additional Tier 2 Incentive The higher of Tier 1 incentives or the flat rate below:
Single Family	\$3,300	\$3,300
Multiple Single Family ("Townhouse")	\$2,200	\$2,200
Multiple- Family Building ("Multifamily")	\$1,500	\$1,500

RNC Proposal

TABLE 3 Building Type	Current NJCEP Tier 3 Incentive Climate Choice Home	Additional Tier 3 Incentive Climate Choice Home
Single Family	Custom Incentive \$18,000 Average	Custom Incentive \$18,000 Average
Multiple Single Family ("Townhouse")	Custom Incentive \$18,000 Average	Custom Incentive \$18,000 Average

RNC Proposal

- Estimated 2,150 Tier 1 & 2 Participants
- Estimated 56 Tier 3 Participants
- May 1st to December 31st
- Approximately \$5MM

Home Performance Proposal

HPwES Customer Incentive Tiers and Requirements

INCENTIVE TIER	REQUIREMENTS	CURRENT NJCEP INCENTIVE	Revised Incentive
Tier 1	Initial audit reimbursement (upon completion of Tier 3 measures)	\$125 (a \$300 value)	\$0
Tier 2	Install air sealing and duct sealing measures	Estimated average \$1,000 value, fully subsidized by the program	\$0
Tier 3	Install insulation, HVAC, DHW and other eligible measures achieving <25% savings	10% rebate of the installed cost up to \$2,000	60% rebate of the installed cost up to \$10,000
	Install insulation, HVAC, DHW and other eligible measures achieving >25% savings	50% rebate of the installed cost up to \$5,000	75% rebate of the installed cost up to \$10,000
	Income eligible program participants (household income between 225% and 400% of the New Jersey statewide poverty level) who install insulation, HVAC, DHW and other eligible measures	50% rebate of the installed cost up to \$5,000 and 0% financing	75% rebate of the installed cost up to \$10,000

- Estimated 580 Participants
- May 1st to December 31st
- Approximately \$2MM

Other Updates:

- HVAC program has slowed down this year
 - Many contractors on one day workweek or on call when needed
- Attendance at Eastern Heating and Cooling classes have increased significantly
- Room A/C seasonal rebate starts May 14
- Energy Star clothes washers – extremely strong above last year’s numbers
- Dehumidifiers – year round program doing well
- CFL’s – indications are good but too early in year to tell
- Residential New Construction completions on target towards goal
- Home Performance new 2009 program began March 9
 - 299 completed so far and 300 scheduled

Update on Commercial/Industrial Programs

Presenter: TRC Team

Local Government Energy Audit

- 229 entities are registered in the program
- 55 entities have bids and approval to start audits
- 299 facilities approved with \$1,883,000 committed for these entities
- Completed draft audits en route to TRC for review and approval

TEACH

Currently Enrolled Districts

- Lacey – 6 schools, 1st Workshop 2/20/09, benchmarking now
- Metuchen – 4 schools, 1st Workshop 2/23/09 waiting on billing for benchmarking
- Bound Brook – 5 schools
- W Orange 11 schools, Woodbridge 23, Cherry Hill 19, W Hanover (aggregating with others)
- Newark confirmed interest in LGEAP and/or TEACH

Pay for Performance

- 30 A&E firms trained (over 80 people) March 19th with 15 more firms identified
- May 15th next training date
- Marketing brochure finalized
- Solid leads with three projects progressing:
 - FDR Services Corp, Paterson NJ
 - Signature Flight Support, Teterboro NJ
 - Trump Taj Mahal (E-mail files received)

Direct Install (June 2009)

Latest version of program description and procedures completed in April

Draft contractor RFP drafted, with BPU for review

Full range of measures for both electric and natural gas identified (80/20 split on payment)

Participating contractors identified for RFP (May?) and program services go live (June?)

Proposed Program Changes

LGEA Program – Proposed Changes going before the Board 05/14/09:

- Increase cap to \$300,000, and tier incentives

Tier	Proposed Incentive Cap
750,000 sq ft	\$100,000
750,001 – 1,500,000	\$150,000
1,500,001 – 2,000,000	\$200,000
2,000,001 and beyond	\$300,000

New Jersey state colleges and universities would now be eligible.

- Pay 100% of the audit cost prior to the installation of measures (currently 25% is held until identified measures are installed)
- In order to be eligible, applicants must commit to install measures equal to this value (25% of audit cost)

Pay for Performance:

- Increase incentive cap from \$1 million to \$2 million per meter
- Expand eligible customer classes - hospitals, non profits, universities, and governmental entities not receiving Energy Efficiency and Conservation Block Grants (EECBG) and affordable multi-family customers (“affordable” is defined as low income, subsidized, HUD, etc.)
- Eliminate minimum 200 kW eligibility requirement

For these eligible customers, *through December 31, 2009*:

- For electric measures – offer an additional incentive of \$.18/kWh
- For gas measures – offer an additional incentive of \$1.80/therm
- Increase cap from 50% of the total project cost to 80%

Re-establish Incentive for Technical Studies related to:

- Chiller Optimization
- Industrial Process Improvements
- Compressed Air Projects

Cost share on a 50/50 basis.

Incentive up to \$10,000

Other Issues/Questions

Next meeting Tuesday, June 16