

New Jersey Board of Public Utilities
Office of Clean Energy
Energy Efficiency Committee Meeting
Held at the offices of Conservation Services Group, Iselin, NJ
Tuesday, May 15, 2007

Meeting was opened at 9:37am.

Mona Mosser (BPU) reviewed agenda.

1a. Comprehensive Resource Analysis

Reviewed purpose of CRA proceeding as to set the New Jersey's Clean Energy Program funding levels for the period of 2009 through 2012 and also set forth a schedule of public hearings, comment periods, etc. It was mentioned that all EE committee members should have received Board Order. It is the objective of the BPU/OCE's to work through this process by end of 2007.

Mike Ambrosio – related issues: EDECA talks about moving away from rebates to market based approach. Example of this exists within the Renewable Program – the excess demand built up within the CORE Program – OCE currently looking at alternatives models that may include the selling of renewable energy credits. Staff mentioned a similar path may be under consideration for energy efficiency (i.e. white tags). Mike thinks this direction needs to be decided prior to CRA for 2009-2012 or even next year. Approaches of Energy Master Plan and Clean Energy Program, as well as other initiatives, need to be reconciled.

Dave Nichols: Pointed out that the CRA Board Order asks many questions of how the market should transition – asked those that are willing to comment.

Mona: Master plan proceedings should be concluded by the time the CRA proceeding is underway.

Dave Holland: Legislature is also considering related initiatives – various bills being promoted to modify current programming. He then asked the group for its considered role in monitoring and commenting in regards to this legislation.

Mike Ambrosio: Reviewed changing structure of this group. To the extent that this group can agree on positions it should do so. Renewables has a trade association that is participating and lobbying. Private companies are encouraged to participate and voice their opinions.

Mary Uschak: HMFA recently joined NJ American Planning Assoc – should this group follow same model?

Dave H: Is there a subgroup that would be interested in tracking these initiatives?

Mona M: This group should be aware of other initiatives and provide comment as it impacts activities, including legislation.

General comments of support from around the table.

Mike A: Mentioned that there are plans for the OCE to offer a Straw proposal for CRA 30 days before September.

Mona M: Which should be focused on funding allocations etc.

Mike A: But needs direction re rebates vs. EEC-type system.

Mike W: Renewables looking to transition from rebates to another model earlier than EE can. Mentioned that there already exists legislation & SREC's on the renewable side with the RPS. There does not currently exist an EEPS, thus, there needs to be an EE 4-yr funding regardless of proposal to legislature (which would be a ~36 month process). This discussion is happening as part of the Energy Master Plan

process. In order to meet 20% by 2020 goals, the state needs savings to occur on an order of magnitude greater than today.

Mike A: Needs a bottom-up approach to determine what's needed.

Mike W: Rutgers working on strategic approach that tries to tie in all programming (EE, RE, Transportation, T&D reliability, etc) to determine how to meet 20% by 2020 goals.

Mike W reviewed Energy Master Plan and legislative approach to achieving goals. This initiative is trying to address all fuels and emissions reductions at once to avoid inappropriate tradeoffs. Tactics are being assessed based on relative cost benefit. KEMA says if everything possible under current parameters were achieved, it would not get to 20% - need to do more. Would an EEPS help get there? How would it work? Needs rebate funding in the meantime (i.e. after 2009). Rutgers is also looking at incremental cost of various approaches. Work has to be completed as required (compliance filings, budgets, CRA, etc.) but there should be interaction.

Fred Hauber: New group talking about forming to parallel CEC of market actors as advisory group.

Mike W: reiterated rationale for disbanding a membership based council vs. a public discussion forum.

Mike A: Multiple companies getting together raises profile for their views.

Subgroup to track other initiatives –

Dave Holland, Fred Hauber, Lynn Sutcliffe, Mary Uschak, Dave Klockner, Ben Adams

Lynn S: can provide input into congressional initiatives.

2. Transition Residential

Dave H: All programs are transitioned.

HVAC and RNC programs still have close-out activities with utilities. Both gave updates confirming transition according to schedule.

Mary U. – Multifamily request; will schedule a meeting with HW and TRC.

Dave Klockner – provided a commercial program update. TRC has been processing applications since April 1st and working on reducing turnaround time towards one week. The Globalcon tradeshow in Atlantic City was a good forum for getting word out that programs are still active. TRC needs to do seminar for NJBIA and for Fred's group.

Chris Siebens/JCPL – the utilities are down to last few problem applications.

3. 2007 Compliance Filings.

Residential - Last night Honeywell filed its compliance filing with Board Secretary's office. Rate Council and their consultant requested a copy. No service list was utilized, but should the document will be distributed to the CEC and committee lists (for information not comment).

Commercial - TRC submitted a draft which is being reviewed.

- New C&I programs are currently placeholders.
- Treasury has a draft scope of work for Municipal Audits RFP for pre-listing of qualifying providers. Program subsidy to be determined (TRC recommends 50%).
- HMFA/C&I progressing.
- O&M scoping moving forward.

DCA - Clarice has submitted a draft of MOA and compliance filing.

DEP – MOA but no compliance filing.

Goal is to have Board Order for all Compliance filings for the June 14th Board agenda.

Green Homes currently staying with Darren Port at DCA (zero energy homes) but Mary U. says HMFA has agreed with DCA to take it. Mike Winka: No, HW should work with DCA. No more MOA for administrative funding. Market Manager would administer program.

4. 2008 Programming.

TRC is now able to shift to new C&I programs asap, possibly before end of year. However, programs like pay-for-performance need program design from scratch so will be closer to 2008. Lynn S: proposal from 4 years ago modeled closely on NYSERDA that TRC is familiar with. Mike A: Needs broad working group to address some issues that were raised with NYSERDA program? Some clarification discussion followed.

Mike A: Anyone can propose ideas to TRC and Dave K. should convene C&I subcommittee to discuss.

Mike A: Discussion of program and budget compliance timeline.

Mike W: OCE will give Market Managers the overall budget for discussion of program allocations.

Mona M: Need to address some outlying programs such as WRAP, STAC, special projects etc.

Mike W: Maybe that these type of programs be moved to OCE admin budget rather than EE budget.

Mike A: Identified that we also need direction on Cool Cities etc.

Mike A: Need to start talking about impact of legislation on RNC program. Need to determine where funding will still be required above code (training, etc.). Goal is to put money where the biggest bang can be achieved. The bar needs to be raised over time and keep "pushing the technology".

Mike W: Other options exist for leveraging (tax credits, etc.). Planning horizon for cost effectiveness is in 5 year increments.

5. Regional Initiatives

NEEP and CEE are resources that can be utilized by the market managers. Dave H. reviewed partnership benefits and distributed the NEEP Business Plan. Collaboratives also represent partnership opportunities. National Action Plan was also distributed.

6. Evaluation Update

The final Summit Blue report has been published. Recommendations to be addressed in 2008 compliance filing. KEMA Impact Evaluation within next couple of weeks.

No other business raised.

Next meeting June 12th

Meeting closed at 11:35am