



# **NJ CLEAN ENERGY PROGRAMS**

**NAESCO**

**Mid-Atlantic Regional Meeting**

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## Why Should You Care?

- SBC — Everyone Pays...Participants Benefit
- 2009 Federal Stimulus Package — SEP + EECSBG
- NJ-Specific Initiatives — EMP, ESIP, RGGI/EDA, CHP/RM
- Rising Cost of Electricity and Natural Gas
- Reducing Carbon Footprint — Recognition + Bottom Line Impacts
- ESCOs — Differentiate Yourself from Competition





## NJ Clean Energy Program - Background

- Since 2001— *Societal Benefits Charge* on utility bills
- New construction projects must be in designated Smart Growth areas to be eligible for incentives, except for:
  - Local Government Owned Buildings, including Schools
  - Hospitals
  - Military Facilities





# NJ SmartStart Buildings® Program

## Eligibility

- New Construction, Renovation, and Equipment Replacement
- Commercial & Industrial Customers Served by a Public Utility
- Municipalities and Government-Owned Facilities

## Features

- Financial Incentives to Reduce Capital Cost
- Comprehensive Design Support for Larger Projects ( $\geq 50,000$  sq.ft.)
- Technical Assistance for Other Projects (walk-through analysis)
- Up to \$500,000 per utility account per calendar year



## Financial Incentives

- Prescriptive Measures
  - Heating, Cooling, Ventilation (HVAC)
  - Lighting and Lighting Controls
  - Water Heating
  - High Efficiency Motors
  - Motors and Variable Frequency Drives
- Custom Measures (electric/natural gas)



## Sample of 2008 Incentives

Customer	Total Incentives	Technology
Lowe's	\$955,841	Lighting
McCaffey's Market	\$200,000	Custom Electric
Robesco, Inc	\$197,435	Custom Electric
Woodbury Board of Education	\$142,234	Geothermal Heat Pumps
East Coast Warehouse	\$140,000	Lighting
Connell Real Estate	\$120,000	Electric Chillers
Deluxe Corporation	\$127,709	Custom Electric
Newark Public Schools	114, 832	Geothermal Heat Pump, Custom Electric
Chanel Inc.	\$103,625	Custom Electric, Custom Gas
Trump Plaza	\$102,087	Variable Frequency Drives, Custom Electric
2 Gateway Center Partners	\$100,000	Lighting
Crossroads Condominium Associates	\$100,000	Electric Chillers
Cardinal Health	\$56,259	Custom Electric
Dunkin Donuts	\$43,900	Lighting
Munich Reinsurance America, Inc	\$26,000	Variable Frequency Drives



# Custom Electric Projects

Opportunities for other than pre-qualified technologies

- Custom Electric Equipment Application and Technical Study estimating...
  - Savings over “baseline”, 20 kW minimum demand reduction or 25,000 kWh saved per year
  - Life-cycle costs vs. life-cycle savings
- If project qualifies...
  - Incentive up to 80% of incremental cost of equipment above the baseline or a two year payback, whichever is less





# Custom Gas Projects

## Opportunities for other than pre-qualified technologies

- Custom Gas Equipment Application and Technical Study proposal...
  - Market Manager must review and provide conditional approval for each proposal prior to commencement of technical study
  - No minimum natural gas savings threshold required
- If project qualifies...
  - Incentive up to 80% of incremental cost of equipment above the baseline or a two year payback, whichever is less





## Other Program Features

- Multiple Measures Bonus (up to 10%)
  - For new construction, lighting plus other measures are required
  - For retrofit, if lighting has already been upgraded, any two or more energy saving measures qualify
  - Total for the year cannot exceed the \$500,000 cap
- Building Commissioning (CX)
  - K-12 public schools only (minimum 50,000 sq ft area)
  - Must follow Comprehensive Design Path or equivalent
  - 50% of Commissioning Agent fee to \$30,000 maximum
- Chiller Plan Optimization Studies
  - When deciding to upgrade or replace chillers (minimum 500 tons)
  - Study grants to \$10,000 (50/50 cost sharing basis)





## New Programs

- Local Government Energy Audit
  - Investment Grade Audit by Pre-Qualified Contractor
  - 75% of Audit Cost is Covered
  - Remaining 25% of Audit Cost may also be Covered
- Pay-for-Performance (Whole Building, >200kW)
  - >15% Modeled Reduction
  - 3 Milestone Payments (\$1M/meter max.)
  - Combined Heat & Power included (addl. \$1M max.)



New Jersey  
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**For More Information**

[NJCleanEnergy.com/ssb](http://NJCleanEnergy.com/ssb)

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