



Agenda Date: 10/29/18
Agenda Item: 8B

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM)
AUTHORIZATION OF COMMERCIAL AND)
INDUSTRIAL PROGRAM ENERGY EFFICIENCY)
INCENTIVES EXCEEDING \$500,000 – BRISTOL)
MYERS SQUIBB) DOCKET NO. QO18090995L

Parties of Record:

Arturo Abacan, Bristol-Myers Squibb
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:¹

The New Jersey Board of Public Utilities ("Board") through its New Jersey Clean Energy Program ("NJCEP") includes several individual Commercial & Industrial ("C&I") Energy Efficiency ("EE") Programs targeting the commercial and industrial market segments. Eligible applicants may receive rebates for a portion of the cost for installing energy efficient technologies such as lighting, HVAC, and other energy conservation measures. Incentives are also available for projects involving Distributed Energy Resources ("DER"). All proposed C&I EE financial incentives and rebates exceeding \$500,000 require explicit Board approval. See In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the 2009 through 2012 Clean Energy Program - Revised 2012-2013 Programs & Budgets - Revised Rebate Approval Process, BPU Docket No. EO07030203 (May 3, 2013).

The Large Energy Users Program ("LEUP") fosters self-investment in EE and combined heat and power projects for New Jersey's largest C&I customers. Incentives are awarded to customers that satisfy the programs eligibility and program requirements for investing in self-directed energy projects that are customized to meet the requirements of the customers; existing facilities, while advancing the State's energy efficiency, conservation, and greenhouse gas reduction goals. To qualify under the LEUP guidelines in effect at the time of the applications, eligible entities must have contributed a minimum of \$300,000 into the NJCEP fund in the fiscal year prior to the application date.

¹ Commissioner Robert M. Gordon recused himself due to a potential conflict of interest and as such took no part in the discussion of this matter.

By this Order, the Board considers the application of Bristol-Myers Squibb ("BMS" or "Company") at one location in Princeton, New Jersey, and another in New Brunswick, New Jersey, submitted on June 23, 2017 under the Fiscal Year 2017 ("FY17") LEUP Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for Fiscal Year 2017, dated February 22, 2017. The projects are located at 3551 Lawrenceville Road, Princeton and 1 Squibb Drive, New Brunswick, respectively. The applicant requests a total financial incentive of \$1,087,545.97 for a project that will cost \$2,543,184.00

The measures covered by this application vary by location. At the Lawrenceville location, the Company wishes to replace their outdated room controllers with Honeywell CP-IPC controllers that will allow their L-Module offices and lab rooms to achieve lower, more efficient air flow. At the New Brunswick location, Bristol-Myers Squibb aims to install Variable Frequency Drives ("VFDs") on their two air handling units ("AHUs") that are not currently equipped with this technology, as well as replace their pneumatic thermostats with wireless Direct Digital Control ("DDC") technology. These measures will provide the Company with greater control over their HVAC systems, as well as make their AHUs more efficient overall. This application also covers chiller optimizations at the New Brunswick location that will realize savings by integrating aspects of the chilled plant and pond water systems that currently operate independently, as well as updating the systems' technology to include greater automation. Additionally, the Company plans to replace much of their current fluorescent lighting fixtures and tubes with new LED lighting systems at both locations.

Together, the projects are anticipated to save 3,211,032 kWh of electricity and 64,876 therms of natural gas annually. The proposed projects will have an estimated annual energy cost savings of \$396,371.61. The payback period without incentives is 5.67 years; when factoring in the incentives, the payback period is reduced to 1.66 years.

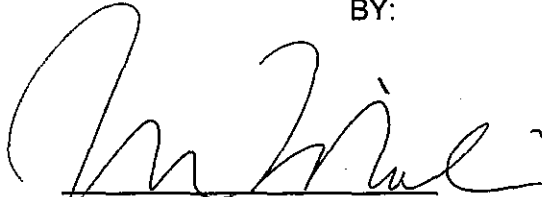
TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP LEUP program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the NJCEP Program Administrator, submitted its certification that the incentives were calculated in accordance with the program's policies and procedures, the listed amounts are the true and accurate estimated incentives for which the applicant is eligible, and the documentation supporting estimated energy savings inputs was located, reviewed, and made available to calculate the rebate amounts as required by the program's policies and procedures. Based on these certifications and the information provided by the Program Manager and Program Administrator, Board Staff recommends approval of the above-referenced application.

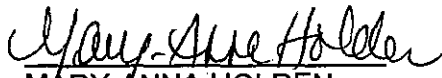
The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$1,087,545.97 for Bristol-Myers Squibb and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

The effective date of this Order is November 8, 2018.

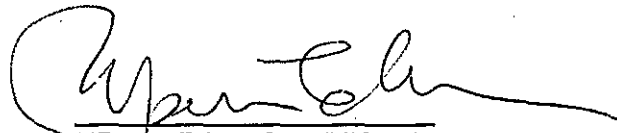
DATED: 10/29/18

BOARD OF PUBLIC UTILITIES
BY:

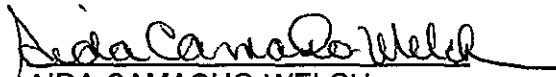

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:


AIDA CAMACHO-WELCH
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL
AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 –
BRISTOL-MYERS SQUIBB

DOCKET NO. QO18090995L

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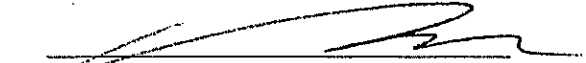
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Caroline Vachier, DAG
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Peter Van Brunt, DAG
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The undersigned preparer attests that, to the best of their knowledge and belief, the above information is accurate and the subject project application adheres to the current terms and conditions of the Large Energy Users program.


Signature of Preparer

8/13/18
Date

Arvin De Luca
Name of Preparer

47510
App#

1. Application Number: 47510
2. Program Name: FY17 Large Energy Users Program, Compliance Filing Dated 2/22/2017
3. Customer Contact (name, company, address, phone #):

Arturo Abacan
Bristol Myers Squibb
PO Box 4000
Princeton, NJ 08543
(609) 252-6326

4. Project Name and Address:

Lawrenceville Projects: L Mod Controller Upgrade, Lighting Retrofits
3551 Lawrenceville Road
Princeton, NJ 08540

New Brunswick Projects: B105 Pneumatic to DDC, Chiller Optimization, Lighting Retrofits
1 Squibb Drive
New Brunswick, NJ 08901

5. Rebate amount: \$1,087,545.97

6. Brief description of measures:

Campus	Measure	Description
Lawrenceville	L Mod Controller Upgrade	Replace existing pneumatic controllers in L-Module office/lab rooms with new Honeywell CP-IPC equipment which allows room exhaust CRM to trail supply CRM to achieve lower air flow.
	Lighting Retrofits	Replacement of fluorescent fixtures and tubes with new LED 2x4 and LED tubes throughout modules H2, H4, F2, F3 and laboratory/office areas.
New Brunswick	B105 Pneumatic to DDC and VFD additions	Install Variable Frequency Drives on air handling units in building 105. Upgrade control system from pneumatic damper control to wireless DDC technology.
	Chiller Optimization	Upgrade control of the south chilled plant and pond water systems from partially manual to a Siemens building automation system and pumping controls that are fully integrated in order to optimize sequences. This includes installation of hardware and some isolation valves at chillers.
	Lighting Retrofits	Replacement of fluorescent fixtures and tubes with new LED tubes throughout laboratory/office areas.

7. Annual Estimated Energy Savings:

3,211,032.00 kWh
164.00 kW peak demand
64,876 therms

8. Annual Estimated Energy Cost Savings: \$396,371.61

9. Project cost: **\$2,543,184.00**

10. Operational and Maintenance Savings: **\$52,037.00**

11. Simple Payback Period: **5.67 years without incentive; 1.66 years with incentive**

Program Administrator Certification
(New Incentive Commitments > \$500,000)

I, **Maura Watkins**, TRC Solutions Quality Control, hereby certify that, I have reviewed the application referenced below and determined that, as required by the policies and procedures applicable to the program, (1) the equipment incentives for which the NJCEP Program Manager now seeks approval to commit NJCEP funds have been calculated in accordance with those policies and procedures, and (2) that the amount shown below is the true and accurate estimated incentive for which the applicant(s) is(are) eligible.

Additionally, for incentives based on estimated energy savings that are uniquely calculated, including the Pay for Performance Program, Large Energy Users Program, and the Combined Heat and Power Program, I also certify that I was able to locate and review documentation supporting the inputs used to calculate the rebate amount and evidencing the NJCEP Program Manager's evaluation of those inputs as required by the program's policies and procedures.

Maura H Watkins

By: _____

Date: 09-14-2018

Maura Watkins

Quality Control – TRC Solutions

Application No.: 47510

Applicant: Bristol Myers Squibb

Payee: Bristol Myers Squibb

Committed Amount: \$1,087,545.97