

Agenda Date: 6/18/12 Agenda Item: 8B

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY	
ORDER	

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IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$300,000 - CONOCOPHILLIPS

DOCKET NO. EO12050434V

Dave Lucas, Advisor, ConocoPhillips

BY THE BOARD:

The New Jersey Board of Public Utilities' (the Board) Commercial and Industrial (C&I) Energy Efficiency Program, which is marketed as the New Jersey SMARTSTART Buildings Program (SSBP or SMARTSTART), includes the C&I New Construction, C&I Retrofit, Pay-for-Performance New Construction, Pay-for-Performance Existing Buildings, Local Government Energy Audit, Direct Install, Combined Heat and Power, Large Energy Users Pilot, Retro-Commissioning, and Multi-Family Financing Pilot Programs. These programs collectively offer financial incentives to New Jersey property owners to encourage the installation of energy efficient products and technologies. Eligible applicants may receive incentives for a portion of the cost of installing energy efficient technologies such as lighting, HVAC, water heating or other measures in new or existing buildings.

ConocoPhillips, Linden, NJ, has submitted an application for a monetary incentive in the amount of \$557,250 under the 2011 Large Energy Users Pilot (LEUP) program¹, for a project located at the Bayway Refinery, 1400 South Park Avenue, Linden, NJ. The rebate application involves the installation of a carbon monoxide analyzer and improved damper controls on one of the ConocoPhillips Refinery's largest furnaces, providing more accurate control of the combustion and lowering the amount of fuel consumed. This application will save the customer an annual estimate of 1,226,400 therms of natural gas. Overall, this application will have an estimated annual energy cost savings of \$716,218.

¹ The LEUP program began in August 2011 and the 2012 LEUP remains open to all eligible applicants. The LEUP program is designed to advance the State's goals for energy efficiency, conservation, and greenhouse gas reduction by promoting business self-investment in energy efficiency and combined heat and power projects through State financial support to large commercial and industrial utility customers. I/M/O the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the Years 2009-2012: Revised 2011 Programs and Budgets Order, June 20, 2011 Dkt Nos. EO07030203, EO10110865, EO10050320.

TRC, the Market Manager engaged by the Board to manage the New Jersey Clean Energy Program (NJCEP) C&I energy efficiency programs, has submitted certification that the incentive for which TRC now seeks approval to commit has been calculated in accordance with the program policies and procedures, and that the listed amount is the true and accurate estimated incentive for which the applicant is eligible. Further, Applied Energy Group, in its role as the NJCEP Program Coordinator, has reviewed the application and submitted certification that the incentive for which TRC now seeks approval to commit has been calculated in accordance with the program policies and procedures, and that the listed amount is the true and accurate estimated incentive for which the applicant is eligible. Based on the above, the Staff recommends that the Board approve the above-referenced application.

The Board <u>HEREBY ORDERS</u> the approval of the aforementioned application for the total estimated incentive amount of \$557,250 for ConocoPhillips, and <u>AUTHORIZES</u> issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

DATED: 6/18/12

BOARD OF PUBLIC UTILITIES BY:

ROBERT M. HANNA

PRESIDENT

JEANNE M. FOX COMMISSIONER

NICHOLAS ASSELTA

COMMISSIONER

KRISTI 1770

SECRETARY

SSEPH L. FIORDALISO

COMMISSIONER

MARY-ANNA HOLDEN

COMMISSIONER

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

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$300,000 - CONOCOPHILLIPS

DOCKET NO. EO12050434V

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Rachel Boylan Counsel's Office Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350 Dave Lucas Advisor ConocoPhillips 1400 South Park Avenue Linden, NJ 07036

Program Coordinator Certification (New Incentive Commitments > \$300,000)

I, Maura Watkins, hereby certify that in its role as Program Coordinator, Applied Energy Group, Inc. has reviewed the referenced below, as required by the policies and procedures applicable to each program, that the standardized equipment incentives for which TRC now seeks approval to commit have been calculated in accordance with those policies and procedures, and that the amount shown below is the true and accurate estimated incentives for which each applicant(s) is(are) eligible.

For incentives based on uniquely calculated estimated energy savings, including the Custom Program, Pay for Performance, and Large Energy Users Pilot Program, Applied Energy Group certifies locating documentation supporting the inputs used to calculate the rebate amount and evidencing TRC's evaluation of those inputs as required by the program's policies and procedures.

Date: 5/23/2012

By: Maria Wathers

Maura Watkins,

Quality Assurance Manager-Applied Energy Group, Inc.

Ref:

App # L16230

Applicant Conoco Phillips
Payee Conoco Phillips

Committed Amount: \$557,250

Market Manager Certification (New Incentive Commitments > \$300,000)

1 <u>Carl Teter</u> hereby certify that applications on the attached list have been reviewed by TRC or its subcontractors as required by the policies and procedures applicable to each program, that the incentives for which TRC now seeks approval to commit have been calculated in accordance with those policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which each applicant is eligible.

Date: 5-23-12

Carl P. Teter, P.E., LEED AP, Associate Vice President

App# L16230

1. Application Number: L16230

2. Program Name: Large Energy Users Pilot Program

Customer Contact (name, company, address, phone #):
 Dave Lucas, Advisor
 ConocoPhillips
 1400 South Park Ave, Linden, New Jersey 07036
 908-523-5057

4. Project Name and Address:

Conoco Phillips 1400 South Park Avenue, Linden, NJ 07036

5. Rebate amount: \$557,250.00

6. Brief description of measures: This project will install a CO (carbon monoxide) analyzer and improved damper controls on one of the Refinery's largest furnaces providing more accurate control of the combustion and lowering the amount of fuel consumed.

7. Annual Estimated Energy Savings: 1,226,400 therms

8. Annual Estimate Energy Cost Savings: \$716,218