



Agenda Date: 9/30/14
Agenda Item: 8A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

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| IN THE MATTER OF THE CLEAN ENERGY PROGRAM) | ORDER |
| AUTHORIZATION OF COMMERCIAL AND) | |
| INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY) | |
| INCENTIVES EXCEEDING \$500,000) | |
|) | |
| AT&T SERVICES, INC. (FREEHOLD)) | DOCKET NO. QG14091016 |
|) | |
| AT&T SERVICES, INC. (MIDDLETOWN)) | DOCKET NO. QG14091017 |

Parties of Record:

John Keller, Senior Energy Manager, AT&T Services, Inc.

BY THE BOARD:

The New Jersey Board of Public Utilities' (the Board) Commercial & Industrial (C&I) Energy Efficiency Program includes nine (9) individual programs targeting the commercial and industrial market segments, consisting of New Construction, Retrofit, Pay for Performance - New Construction, Pay for Performance - Existing Buildings, Local Government Energy Audit, Direct Install, Combined Heat and Power Fuel Cells, Large Energy Users Program, and the Societal Benefits Charge Credit Program. These programs collectively offer financial incentives 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, heating, ventilation and air conditioning, water heating, and other measures in new or existing buildings.

AT&T Services, Inc., in Dallas, Texas, has submitted an application for a total financial incentive in the amount of \$1,800,000 under the 2014 Small Combined Heat and Power and Fuel Cells program, for a project located at 175 West Main Street in Freehold, New Jersey. Under the program, participants are eligible to receive financial incentives to further enhance energy efficiency in their buildings through on-site power generation to reduce existing and new demands to the electric power grid. The Program offers financial incentives for both fuel cells with and without waste heat recovery.

The applicant proposes to install three 200 kW solid oxide Bloom Energy fuel cell units with a total installed system capacity of 600 kW. Estimated annual efficiency for the proposed plant is 52%. The units do not have a waste heat component and are intended for electric generation only. The first estimated incentive, in the amount of \$540,000, is to be paid upon proof of purchase of equipment. The second estimated incentive, in the amount of \$1,080,000, is to be paid upon project completion, review and acceptance of documentation, and successful inspection. The remaining estimated incentive, in the amount of \$180,000, is to be paid one year after project inspection, acceptance, and following confirmation that the project has achieved its required minimum efficiency threshold. The system is expected to produce 4,993,200 kWh of electricity annually. Overall, this application is expected to result in an estimated average annual energy cost savings of \$223,166.12 at an estimated turn-key project cost of \$6,876,800.

AT&T Services has also submitted another application for a total financial incentive in the amount of \$2,000,000 under the 2014 Small Combined Heat and Power and Fuel Cells program, for a project located at 200 South Laurel Avenue in Middletown, New Jersey. The applicant proposes to install four 250 kW solid oxide Bloom Energy fuel cell units with a total installed system capacity of 1 MW. Estimated annual efficiency for the proposed plant is 52%. The units do not have a waste heat component and are intended for electric generation only. The first estimated incentive, in the amount of \$600,000, is to be paid upon proof of purchase of equipment. The second estimated incentive, in the amount of \$1,200,000, is to be paid upon project completion, review and acceptance of documentation, and successful inspection. The remaining estimated incentive, in the amount of \$200,000, is to be paid one year after project inspection, acceptance, and following confirmation that the project has achieved its required minimum efficiency threshold. The system is expected to produce 8,322,000 kWh of electricity annually. Overall, this application is expected to result in an estimated average annual energy cost savings of \$272,791.93 at an estimated turn-key project cost of \$11,128,000.

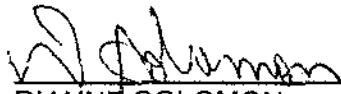
TRC, the Market Manager engaged by the Board to manage the New Jersey Clean Energy Program (NJCEP) C&I energy efficiency programs, has reviewed the proposed projects for program eligibility and submitted certifications that the incentives for which TRC now seeks approval to commit have been calculated in accordance with the program policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which the applicants are eligible. Further, Applied Energy Group, in its role as the NJCEP Program Coordinator, has reviewed the applications and submitted certifications that the incentives for which TRC now seeks approval to commit have been calculated in accordance with the program policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which the applicants are eligible. Based on these certifications and the information provided by the Market Manager and Program Coordinator, Staff recommends that the Board approve the above-referenced applications.

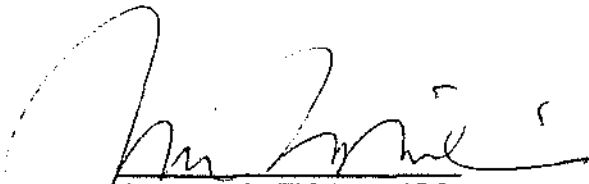
The Board **HEREBY ORDERS** the approval of the aforementioned applications for the total estimated incentive amounts of \$1,800,000 for AT&T Services' Freehold site and \$2,000,000 for the Middletown site, and **AUTHORIZES** issuance of standard commitment letters to the applicants identified above, setting forth the terms and conditions of these commitments.

The effective date of this Order is October 10, 2014.

DATED: 9/30/14

BOARD OF PUBLIC UTILITIES
BY:


DIANNE SOLOMON
PRESIDENT

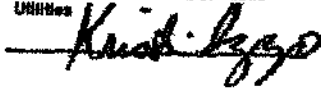

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:

KRISTI IZZO
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 (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING
\$500,000 – AT&T SERVICES, INC. (FREEHOLD) AND AT&T SERVICES, INC.
(MIDDLETOWN)

DOCKET NOS. QG14091016 and QG14091017

SERVICE LIST

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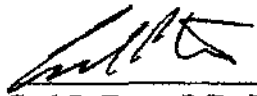
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Market Manger Certification
(New Incentive Commitments > \$500,000)

I, Carl Teter, 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.

By:



Carl P. Teter, P.E., LEED AP, Associate Vice President
App# 25516CHP

Date:

9-15-14

1. Application Number: **25516CHP – AT&T**
2. Program Name: **Combined Heat and Power/Fuel Cell Program (Small)**
3. Customer Contact (name, company, address, phone #):
John Keller, Senior Energy Manager
AT&T Inc.
208 S. Akard Street, Dallas, TX 75202
214-464-3840
4. Project Name and Address:
AT&T – Freehold
175 W. Main Street, Freehold NJ 07728-2525
5. Rebate amount:
Incentive #1: \$540,000.00
Incentive #2: \$1,080,000.00
Incentive #3: \$180,000.00
Total: \$1,800,000.00
6. Brief description of Fuel Cell to be installed:
Three (3) Bloom Energy ES-5700 solid oxide fuel cell units to be installed. The installed rated capacity per each unit is 200kW; total of 600kW for all three units. Estimated annual system efficiency is 52%. Bloom units do not have a waste heat component and are used for electric generation only.
7. Annual Estimated Energy Savings:
Expected Annual Electricity Production: 4,993,200 kWh
Expected Annual Thermal Energy Production: N/A
8. Project Cost: **\$6,876,800.00**
9. Annual Estimate Energy Cost Savings: **\$170,606.12 (First year); \$223,166.12 (Average)**

Market Manger Certification
(New Incentive Commitments > \$500,000)

I, Carl Teter, 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.

By:



Carl P. Teter, P.E., LEED AP, Associate Vice President
App# 25519CHP

Date:

9-15-14

1. Application Number: **25519CHP**
2. Program Name: **Combined Heat and Power/Fuel Cell Program (Small)**
3. Customer Contact (name, company, address, phone #):
John Keller, Senior Energy Manager
AT&T Inc.
208 S. Akard Street, Dallas, TX 75202
214-464-3840
4. Project Name and Address:
AT&T – Middletown
200 South Laurel Avenue, Middletown, NJ 07748-1998
5. Rebate amount:
Incentive #1: \$600,000.00
Incentive #2: \$1,200,000
Incentive #3: \$200,000
Total: \$2,000,000
6. Brief description of Fuel Cells to be installed:
Four (4) Bloom Energy ES-5710 solid oxide fuel cell units to be installed. The installed rated capacity per each unit is 250kW; total of 1000kW for all four units. Estimated annual system efficiency is 52%. Bloom units do not have a waste heat component and are used for electric generation only.
7. Annual Estimated Energy Savings:
Expected Annual Electricity Production: 8,322,000 kWh
Expected Annual Thermal Energy Production: N/A
8. Project Cost: **\$11,128,000.00**
9. Annual Estimate Energy Cost Savings: **\$187,191.93 (First year); \$272,791.93 (Average)**

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

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 incentive for which the applicant(s) is(are) eligible.

For incentives based on uniquely calculated estimated energy savings, including the Custom Program, Pay for Performance, Combined Heat & Power and Large Energy Users 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.

Maura H Watkins

By: _____

Date: 09-15-2014

Maura Watkins

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: _____
App # 25516CHP

Applicant AT&T Services, Inc.

Payee AT&T Services, Inc.

Committed Amount: \$1,800,000.00

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

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 incentive for which the applicant(s) is(are) eligible.

For incentives based on uniquely calculated estimated energy savings, including the Custom Program, Pay for Performance, Combined Heat & Power and Large Energy Users 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.

Maura H Watkins

By: _____

Date: 09-15-2014

Maura Watkins

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: _____
App # 25519CHP

Applicant AT&T Services Inc.

Payee AT&T Services Inc.

Committed Amount: \$2,000,000.00