



Agenda Date: 6/17/15  
Agenda Item: 8A

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CLEAN ENERGY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM	)	ORDER
AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL	)	
PROGRAM ENERGY EFFICIENCY INCENTIVES	)	
EXCEEDING \$500,000:	)	DOCKET NOS.
	)	
AHOLD USA, INC.	)	QG15050627
	)	
SHOPRITE OF OAKLAND, INC.	)	QG15050628
	)	
SHOPRITE EICKHOFF – BURLINGTON	)	QG15050629

**Parties of Record:**

**Mark Macomber, Energy Project Manager, Ahold USA, Inc. dba The Stop & Shop Supermarket Company, LLC**  
**Drew Vitulano, Manager, ShopRite of Oakland, Inc.**  
**Karl Eickhoff, Chief Executive Officer, Eickhoff Supermarkets, Inc.**

**BY THE BOARD:**

The New Jersey Board of Public Utilities (Board) and its New Jersey Clean Energy Program (NJCEP) include nine individual Commercial & Industrial (C&I) Energy Efficiency (EE) Programs targeting the commercial and industrial, local government, and schools 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 and 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. All proposed C&I EE financial incentives and rebates exceeding \$500,000 require explicit Board approval. See I/M/O 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 Dkt. No. EO07030203 (May 3, 2013).

By this Order, the Board considers three applications: (1) Ahold USA, Inc. d/b/a The Stop & Shop Supermarket Company, LLC (Ahold USA), located at thirteen Stop & Shop supermarkets in nine different counties in New Jersey; (2) ShopRite of Oakland, Inc., located at 14 Post Road, in Oakland, Bergen County (ShopRite of Oakland); and (3) Eickhoff Supermarkets, Inc., located

at ShopRite of Burlington, 1841 Mount Holly Road, in Burlington, Burlington County (ShopRite of Burlington).

Ahold USA submitted an application for a financial incentive under the Large Energy Users Program (LEUP). The purpose of LEUP is to foster self-investment in energy efficiency and combined heat and power projects, while providing necessary financial support to large commercial and industrial utility customers in the State of New Jersey. Incentives are awarded to customers that satisfy the program's eligibility and program requirements to invest in self-directed energy efficiency projects that are customized to meet the requirements of the customer's existing facilities, while also advancing the State's energy efficiency, conservation, and greenhouse gas reduction goals. To qualify, eligible entities must have contributed a minimum of \$300,000 into the Societal Benefits Fund in fiscal year 2014 defined from July 1, 2013 through June 30, 2014 (aggregate of all buildings/sites).

Ahold USA has submitted an application for a financial incentive in the amount of \$504,253.43 under the Fiscal Year 2015 LEUP, for projects located at thirteen (13) Stop & Shop supermarkets in nine (9) different counties. The specific locations are identified in the market manager's certification, which is attached to this Order. At these facilities, Ahold USA proposes to install refrigeration controls and measures to increase efficiency of refrigeration systems, and to increase efficiency of heating, ventilating, and air conditioning (HVAC) units through adjustments or replacements of system parts. Installing these measures will reduce the collective annual electric usage for all listed facilities by an estimated 4,617,485 kWh and will reduce annual electric demand by 661.9 kW. Overall, the proposed projects will have an estimated annual energy cost savings of \$568,792.14 at a total project cost of \$688,889. The applicant will also realize an operational and maintenance savings of \$21,300 per year. With incentive, the simple payback period is less than one year.

ShopRite of Oakland and ShopRite of Burlington submitted applications for financial incentives under the Combined Heat & Power/Fuel Cell (CHP/FC) program. The CHP/FC is open to all C&I customers paying into the Societal Benefits Fund who install combined heat and power or fuel cell systems to further enhance energy efficiency in their buildings through on-site power generation with recovery and productive use of waste heat, thereby reducing existing and new demands to the electric power grid. Incentives from this program are disbursed upon completion of three program milestones: (1) proof of purchase of equipment; (2) project installation and operation, including successful inspection; and (3) acceptance and confirmation of achievement of the required performance thresholds based upon twelve months of operating data.

ShopRite of Oakland submitted an application in March 2015 for a financial incentive of \$900,000 under the Fiscal Year 2015 CHP/FC Program. The project involves the installation of a 450 kW natural gas engine with waste heat recovery routed to an absorption chiller for the purposes of refrigeration subcooling and condensing. The system is designed with blackstart capability and can island in the event of a power outage. The facility consists of a 100,000 square foot supermarket built in 1972. The system is estimated to have an overall efficiency of 87%.

The estimated first incentive, for purchase of the equipment, is \$270,000. The estimated second incentive, for completed installation of the system, is \$540,000. The estimated third incentive, granted after acceptance and confirmation of required performance threshold data, is \$90,000. The project is anticipated to generate 3,736,476 kWh of electricity annually and recover 14,507 MMBtu of waste heat annually. The project will have an upfront cost of

\$2,463,891, and will save approximately \$258,663.16 in annual energy costs. The application would have a payback of 7.7 years prior to granting the incentive, which will be reduced to 4.9 years with the incentive.

ShopRite of Burlington submitted an application in March 2015 for a financial incentive of \$900,000 under the Fiscal Year 2015 CHP/FC Program. The project involves the installation of a 450 kW natural gas engine with waste heat recovery routed to an absorption chiller for the purposes of condensing and pressure control of the refrigeration system. The system is designed with blackstart capability and can island in the event of a power outage. The facility consists of a newly constructed supermarket that opened on May 1, 2015, spanning 69,500 square feet. The system is estimated to have an overall efficiency of 76%.

The estimated first incentive, for purchase of the equipment, is \$270,000. The estimated second incentive, for completed installation of the system, is \$540,000. The estimated third incentive, granted after acceptance and confirmation of required performance threshold data, is \$90,000. The project is anticipated to generate 3,783,502 kWh of electricity annually and recover 11,386 MMBtu of waste heat annually. The project will have an upfront cost of \$2,285,184, and will save approximately \$248,965.02 in annual energy costs. The application would have a payback of 7.4 years prior to granting the incentive, which will be reduced to 4.5 years with the incentive.

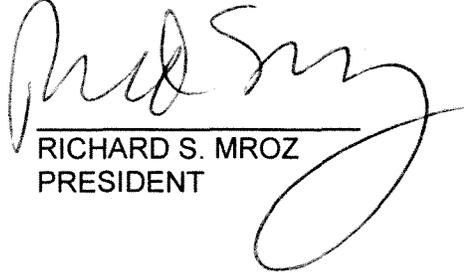
TRC, the Market Manager engaged by the Board to manage the NJCEP C&I EE programs, submitted certifications that the incentives for the three applications were calculated in accordance with the program policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which the applicants are eligible. Further, Applied Energy Group, in its role as the NJCEP Program Coordinator, also reviewed the applications and submitted certifications that the incentives were 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, Board Staff recommends that the Board approve the above-referenced applications.

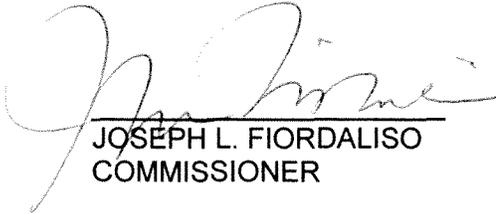
Based upon the above, the Board **HEREBY ORDERS** the approval of the aforementioned applications for the total estimated incentive amounts of \$504,253.43 for Ahold USA, \$900,000.00 for ShopRite of Oakland, and \$900,000.00 for ShopRite of Burlington, and **HEREBY AUTHORIZES** issuance of standard commitment letters to the applicants identified above, setting forth the terms and conditions of these commitments.

The effective date of this Order is June 26, 2015.

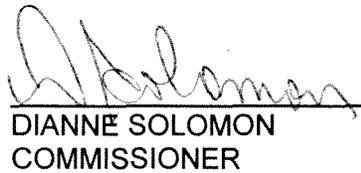
DATED: *June 17, 2015*

BOARD OF PUBLIC UTILITIES  
BY:

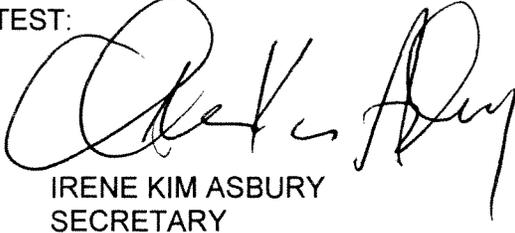
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

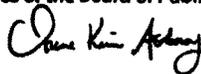
  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

  
UPENDRA J. CHIVUKULA  
COMMISSIONER

ATTEST:  
  
IRENE KIM ASBURY  
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 – AHOLD USA, INC., SHOPRITE OF OAKLAND, INC., & SHOPRITE  
EICKHOFF – BURLINGTON  
DOCKET NOS. QG15050627, QG15050628, & QG15050629

SERVICE LIST

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Valentina Rozanova  
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Division of Law  
Department of Law & Public Safety  
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Mark Macomber  
Energy Project Manager  
Ahold USA, Inc.  
1385 Hancock Street, 9<sup>th</sup> Floor  
Quincy, MA 02169

Irene Kim Asbury, Secretary  
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Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
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Economic Development & Energy Policy  
Board of Public Utilities  
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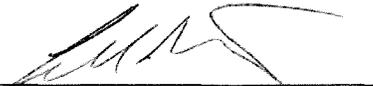
Veronica Beke  
Deputy Attorney General  
Division of Law  
Department of Law & Public Safety  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07102-45029

Drew Vitulano  
Manager  
ShopRite of Oakland, Inc.  
14 Post Road  
Oakland, NJ 07436

Karl Eickhoff  
Chief Executive Officer  
Eickhoff Supermarkets, Inc.  
1310 Fairview Boulevard  
Delran, NJ 08075

**Market Manager 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# L16276

Date: 5-15-15

1. Application Number: **L16276**
2. Program Name: **FY15 Large Energy Users Program**
3. Customer Contact:

**Mark Macomber, Energy Project Manager**  
**Ahold USA, Inc. dba The Stop & Shop Supermarket Company, LLC**  
**1385 Hancock Street, 9<sup>th</sup> Floor**  
**Quincy, MA 02169**

4. Project Name and Address:

<b>Project Name</b>	<b>Address</b>
Stop & Shop #807	1137 Lloyd Road, Matawan, NJ 07747
Stop & Shop #808	2360 Lakewood Rd., Toms River, NJ 08775
Stop & Shop #815	4861 US Highway 9, Howell, NJ 07731
Stop & Shop #816	1278 US-22, Phillipsburg, NJ 08865
Stop & Shop #819	425 Lewandowski St., Lyndhurst, NJ 07071
Stop & Shop #822	801 Newark Avenue, Elizabeth, NJ 07208
Stop & Shop #823	5 Town Center Drive, Sparta, NJ 07871
Stop & Shop #840	55 Brick Blvd. #1, Brick Township, NJ 08723
Stop & Shop #860	4 Union Ave., Wanaque, NJ 07420
Stop & Shop #864	Route 206 Somerset Ave., Raritan, NJ 08869
Stop & Shop #873	2275 W. County Line Road, Jackson, NJ 08527
Stop & Shop #888	1220 Hamburg Turnpike, Wayne, NJ 07470
Stop & Shop #893	245 Little Town Road, Morris Plains, NJ 07950

5. Rebate Amount: **\$504,253.43**
6. Brief description of measures:
  - a. **Install variable speed drives and temperature difference controls on refrigerator condenser fan motors to regulate condenser capacity based on actual heat rejection load**
  - b. **Reduce supply fan speeds on major rooftop HVAC units by adjusting set points of existing variable speed drives or by installing new variable speed drives on motors**
7. Annual Estimated Energy Savings: **4,617,485 kWh, 661.9 kW**
8. Annual Estimated Cost Savings: **\$568,792.14**
9. Project Cost: **\$688,889**
10. Operational and Maintenance Savings: **\$21,300.00**
11. Simple Payback period: **1.21 years**
12. IRR: **82.53%**

**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: 05-15-2015

**Maura Watkins**

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: \_\_\_\_\_  
App # L16276

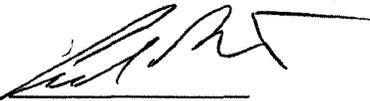
Applicant Ahold USA (Stop & Shop)

Payee Ahold Financial Services, LLC

Committed Amount: \$504,253.43

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

I Carl Teter hereby certify that application(s) 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. This review does not include an analysis of the financial viability of the project(s) on this list. Item #10 on following page is provided for informational purposes only based on data submitted by applicant.

By: 

*Carl P. Teter, P.E., LEED AP, Associate Vice President*  
*App# 31659CHP*

Date: 5-21-15

1. Application Number: **31659CHP**
2. Program Name: **Combined Heat and Power & Fuel Cells**
3. Customer Contact (name, company, address, phone #):  
**Drew Vitulano, Manager**  
**ShopRite of Oakland, Inc.**  
**14 Post Road, Oakland, NJ 07436**  
**201-337-3900**
4. Project Name and Address:  
**ShopRite of Oakland, Inc.**  
**14 Post Road, Oakland, NJ 07436**
5. Rebate amount:  
**Incentive #1: \$270,000.00**  
**Incentive #2: \$540,000.00**  
**Incentive #3: \$90,000.00**  
**Total: \$900,000.00**
6. Brief description of CHP to be installed:  
**The host site is an existing 100,000 square foot supermarket built in 1972. Project proposes to install one 450 kW natural gas engine with waste heat recovery routed to an absorption chiller for the purposes of refrigeration subcooling and condensing. Overall annual system efficiency estimated at 87%. The system is designed to blackstart and island in order to provide power independent of the grid in the event of a power outage.**
7. Annual Estimated Energy Savings:  
**Expected Annual Electricity Production: 3,736,476 kWh**  
**Expected Annual Thermal Energy Production: 14,507 MMBtu of recovered heat estimated to offset annually 173,235 kWh of power otherwise needed for refrigeration equipment.**
8. Project Cost: **\$2,463,891.00**
9. Project Funding Type (capital purchase, lease, finance, PPA, other/describe): **Power Purchase Agreement**
10. Financials:
  - **Average annual cost savings: \$258,663.16**
  - **Payback without incentive: 7.7 years**
  - **Payback with incentive: 4.9 years**

**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: 05-21-2015

**Maura Watkins**

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: \_\_\_\_\_  
App # 31659CHP  
Applicant Shoprite of Oakland, Inc  
Payee UE-00209NJ, LLC

Committed Amount: \$900,000.00

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

I Carl Teter hereby certify that application(s) 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. This review does not include an analysis of the financial viability of the project(s) on this list. Item #10 on following page is provided for informational purposes only based on data submitted by applicant.

By:   
*Carl P. Teter, P.E., LEED AP, Associate Vice President*  
App# 31660CHP

Date: 5-21-15

1. Application Number: **31660CHP**
2. Program Name: **Combined Heat and Power & Fuel Cells**
3. Customer Contact (name, company, address, phone #):  
**Karl Eickhoff, CEO**  
**Eickhoff Supermarkets, Inc.**  
**1310 Fairview Blvd., Delran, NJ 08075**  
**856-824-0394**
4. Project Name and Address:  
**ShopRite of Burlington**  
**1841 Mt. Holly Road, Burlington, NJ 08016**
5. Rebate amount:  
**Incentive #1: \$270,000.00**  
**Incentive #2: \$540,000.00**  
**Incentive #3: \$90,000.00**  
**Total: \$900,000.00**
6. Brief description of CHP to be Installed:  
**The host site is a new construction 69,500 square foot supermarket opened May 1, 2015. Project proposes to install one 450 kW natural gas engine with waste heat recovery routed to an absorption chiller for the purposes of condensing and pressure control of refrigeration system. Overall annual system efficiency estimated at 76%. The system is designed to blackstart and island in order to provide power independent of the grid in the event of a power outage.**
7. Annual Estimated Energy Savings:  
**Expected Annual Electricity Production: 3,783,502 kWh**  
**Expected Annual Thermal Energy Production: 11,386 MMBtu of recovered heat estimated to offset annually 153,118 kWh of power otherwise needed for refrigeration equipment.**
8. Project Cost: **\$2,285,184.00**
9. Project Funding Type (capital purchase, lease, finance, PPA, other/describe): **Power Purchase Agreement**
10. Financials:
  - **Average annual cost savings: \$248,965.02**
  - **Payback without incentive: 7.4 years**
  - **Payback with incentive: 4.5 years**

**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: 05-21-2015

**Maura Watkins**

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: \_\_\_\_\_  
App # 31660CHP

Applicant Shoprite Burlington-Eickhoff Supermarkets, Inc.

Payee UE-00212NJ,LLC

Committed Amount: \$900,000.00