



Agenda Date: 11/30/16  
Agenda Item: 8A

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
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 )  
AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL )  
PROGRAM ENERGY EFFICIENCY INCENTIVES )  
EXCEEDING \$500,000 - UNION BEVERAGE PACKERS, )  
LLC ) DOCKET NO. QO16111070

**Parties of Record:**

**Yaron Gohar, President**, Union Beverage Packers, LLC  
**Stefanie A. Brand, Esq., Director**, Division of Rate Counsel

**BY THE BOARD:**

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). Under the category of DER, the NJCEP offers incentives for Combined Heat and Power (CHP) and Fuel Cell with heat recovery projects to enhance energy efficiency through on-site power generation and to reduce overall system peak demand to the electrical power grid. 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).

The Combined Heat and Power & Fuel Cell Program is open to all C&I customers of investor-owned utilities. Incentives 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.

Union Beverage Packers, LLC, in Hillside, NJ, has submitted an application for a total financial incentive of \$880,000.00 under the 2016 CHP/FC Program, for a project located at 600 North

Union Street, Hillside, NJ. The application was accepted under the Program Administrator AEG FY2017 Program & Budget guidelines dated June 28, 2016 for fiscal year 2017 ending June 30, 2017. The project site is a 350,000 square foot soft drink bottling plant built in 1950.

The project includes the installation of one 440 kW fuel cell with heat recovery. The system is estimated to have an overall annual efficiency of 74.1%. The estimated first incentive, for purchase of the equipment, is \$264,000.00. The estimated second incentive, for completed installation of the system, is \$440,000.00. The estimated third incentive, granted after acceptance and confirmation of required performance threshold data, is \$176,000.00. These incentive amounts are within entity cap guidelines. The project is anticipated to generate 3,094,779.4 kWh of electricity annually, and is estimated to recover 10,842 MMBtus in natural gas annually, which will be used to serve two existing boilers used in the soft drink bottling process. The project will have a cost of \$4,336,026.73 and is anticipated to save on average \$285,809.00 in annual energy costs. The project has a 15.17 year payback without incentives, which is reduced to 8.86 years with incentive.

ICF International, the Program Manager engaged by the Board to manage the NJCEP CHP/FC program, submitted its certification that the incentive was 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 Administrator, also reviewed the application and submitted its certification 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 applicant is eligible. Based on these certifications and the information provided by the Program Managers and Program Administrator, Board Staff recommends that the Board approve the above-referenced application.

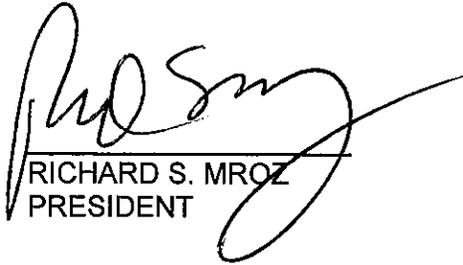
The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$880,000.00 for Union Beverage Packers, LLC, and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of these commitments.

The effective date of this Order is December 10, 2016.

DATED:

11/30/16

BOARD OF PUBLIC UTILITIES  
BY:

  
RICHARD S. MROZ  
PRESIDENT

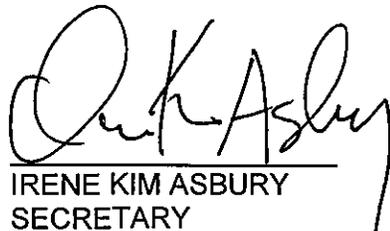
  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY-ANNA HOLDEN  
COMMISSIONER

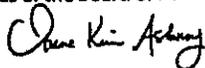
  
DIANNE SOLOMON  
COMMISSIONER

  
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 –UNION BEVERAGE PACKERS, LLC  
DOCKET NO. QO16111070

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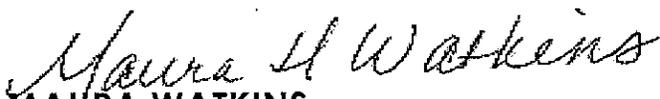
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**Program Administrator Certification  
(New Incentive Commitments > \$500,000)**

I, **MAURA WATKINS**, Quality Assurance Manager for NJCEP Program Administrator, Applied Energy Group, Inc., here by certify that, I have reviewed the Combined Heat and Power - Fuel Cell Program application referenced below and determined that, as required by the policies and procedures applicable to the program, (1) the equipment incentives for which ICF 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 those granted for approved Combined Heat and Power - Fuel Cell Program projects, I also certify that I was able to locate and review documentation supporting the inputs used to calculate the rebate amount and evidencing ICF's evaluation of those inputs as required by the program's policies and procedures.

By:   
**MAURA WATKINS**

Date: 11/3/16

Quality Assurance Manager - Applied Energy Group, Inc.

Application No.:	NJFCPS1532587029
Applicant:	Union Beverage Packers, LLC
Payee:	Union Beverage Packers, LLC
Committed Amount:	\$ 880,000.00

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

I Kathryn O'Rourke hereby certify that application(s) on the attached list have been reviewed by ICF or its subcontractors as required by the policies and procedures applicable to each program, that the incentives for which ICF 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 #11 on following page is provided for informational purposes only based on data submitted by applicant.

By: Kathryn O'Rourke Date: 11/9/2016

*Kathryn O'Rourke, Program Manager*  
*Application Number: NJFCPS1532587029*  
*Vision Number: NJFCPS1532587029*

1. Application Number: **NJFCPS1532587029**
2. Vision Number: **NJFCPS1532587029**
3. Program Name: **NJ Clean Energy Program Combined Heat and Power**
4. Customer Contact (name, title, company, address, phone #):

**Yaron Gohar, President**

**Union Beverage Packers, LLC**

**600 North Union Street, Hillside, NJ 07250**

**908-206-9111 X11**

5. Project Name and Address:

**Union Beverage Packers, LLC**

**600 North Union Street, Hillside, NJ 07250**

6. Rebate amount: **Total \$880,000.00**

**Incentive #1: \$264,000.00**

**Incentive #2: \$440,000.00**

**Incentive #3: \$176,000.00**

7. Brief description of CHP to be Installed:

**Project site is a 350,000 square foot soft drink bottling plant built in 1950. The CHP system consists of (1) Doosan 440kw fuel cell. The Fuel Cell's thermal output will serve (2) existing boilers used in the soft drink bottling process. System efficiency is 74.1% and the fuel cell does not have blackstart capability.**

8. Expected Annual Performance

**Estimated Electricity Production: 3,094,779.4 kWh**

**Estimated Waste Heat Utilized: 10,842 MMBTU**

9. Project Cost: **\$4,336,026.73**

10. Project Funding Type (capital purchase, lease, finance, PPA, other/describe):

**Capital purchase**

11. Financials:

**Simple Payback Period (years) without incentive and ITC: 15.17**

**Simple Payback Period (years) with incentive and ITC: 8.86**

**Avoided Energy Cost Savings: \$285,809**