



Agenda Date: 3/24/17
Agenda Item: 8C

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) ORDER
AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL)
PROGRAM ENERGY EFFICIENCY INCENTIVES)
EXCEEDING \$500,000 –THE PORT AUTHORITY OF)
NEW YORK AND NEW JERSEY) DOCKET NO. QG17030180

Parties of Record:

James Poon, Manager of Energy Programs, the Port Authority of New York and New Jersey
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. 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 the application of the Port Authority of New York and New Jersey (PANYNJ) submitted under the FY14 LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for the fiscal year 2014 dated December 6, 2013, for projects located at the Journal Square Transportation Center, 1 Journal Square, Jersey City, NJ, and at the Harrison Car Maintenance Facility off Cape May Street in Harrison, NJ. This project’s incentives are within the entity cap, based on the application approval date.

Under LEUP, incentives will be awarded to customers that satisfy the program’s eligibility and program requirements to invest 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 guidelines for LEUP that were in effect at the time of application, eligible entities must have contributed a minimum of

\$300,000.00 into New Jersey's Clean Energy Program fund in the fiscal year prior to the application date (aggregate of all buildings/sites).

PANYNJ has submitted an application for a total financial incentive of \$606,658.02. At the Journal Square Transportation Center, the scope of the project includes upgrades to the central chilled water plant and associated controls to provide demand-based control of the facility. Mechanical upgrades include installation of new variable frequency drives (VFDs) on motors, actuators, and flow control valves. Additionally, the scope includes automation of the chilled water plant through installation of controls and associated hardware and software upgrades.

At the PANYNJ's Harrison Car Maintenance Facility, the scope also involves upgrades to the central chilled water plant and associated controls to provide demand-based control of the facility. Furthermore, the scope involves conversion of the existing constant flow hot water system to a variable load system. This will be achieved through installation of VFDs, installation of new sensors, and replacement of existing motors. Installing these measures at the Journal Square Transportation Center and Harrison Car Maintenance Facility will collectively result in annual electric savings by an estimated 1,489,994 kWh, annual estimated electric peak demand reduction of 174 kW, and a reduction of annual natural gas usage by an estimated 30,656 therms. The proposed project will have an estimated annual energy cost savings of \$216,401.00, an estimated annual operational and maintenance savings of \$18,000.00, and a total project cost of \$1,120,950.00. The payback period without incentives is 4.78 years; and when factoring in the incentives, the payback period is reduced to 2.19 years.

TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP LEUP 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,¹ in its role as the NJCEP Program Administrator, also reviewed the application and 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. Based on these certifications and the information provided by the Program Manager and Program Administrator, Board Staff recommends that the Board approve the above-referenced application.


¹ On January 13, 2017, TRC Environmental Corporation acquired the NJCEP Program Administrator Contract from Applied Energy Group, Inc. (AEG) and assumed AEG's rights and duties thereunder.

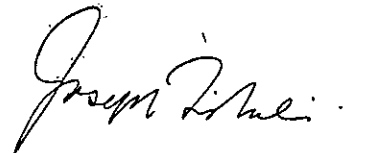
The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount \$606,658.02 for PANYNJ, and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

The effective date of this Order is April 3, 2017.


DATED: 3/24/17

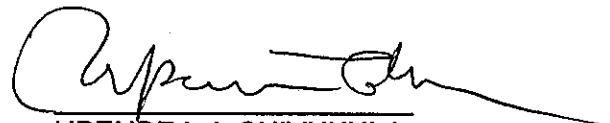
BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT



JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

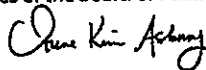

DIANNE SOLOMON
COMMISSIONER


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 – THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
DOCKET NO. QG17030180

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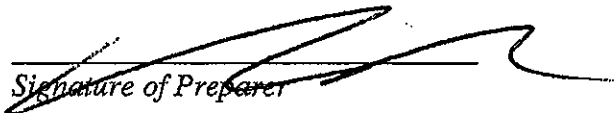
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The undersigned preparer attests that, to the best of their knowledge and belief, the above information is accurate and the subject project application adheres to the current terms and conditions of the Large Energy Users program.


Signature of Preparer

2/28/17
Date

Brian DeLuca
Name of Preparer

L16268
App#

1. Application Number: **L16268**
2. Program Name: **FY14 Large Energy Users Program**
3. Customer Contact (name, company, address, phone #):

**The Port Authority of New York and New Jersey
James Poon, Manager – Energy Programs
225 Park Avenue South, Floor 15
New York, NY 10003
(212) 435-5474**

4. Project Name and Address:
 1. **Journal Square Transportation Center
1 Journal Square
Jersey City, NJ 07306**
 2. **Harrison Car Maintenance Facility
Ft. of Cape May Street
Harrison, NJ 07029**

5. Rebate amount: **\$606,658.02**

6. Brief description of measures:

Journal Square Transportation Center

A. AHU Control Upgrades

Upgrade the central chilled water plant and associated controls to provide Demand-Based Control of the facility to optimize all-variable speed systems allowing the control system to determine the optimal operating parameters at any given load. Mechanical upgrades include installation of new VFDs on motors, actuators and flow control valves.

B. Central CHW Plant Optimizations

Automation of chilled water plant by installing Johnson Controls Metasys Extended Architecture BACnet Direct Digital Controls. Hardware and software upgrades to provide capabilities for night setback strategies for air-handlers, occupancy-based setpoint control, air-side economizer modulation and discharge air temperature reset.

Harrison Car Maintenance Facility

C. AHU Control Upgrades

Upgrade the central chilled water plant and associated controls to provide Demand-Based Control of the facility to optimize all variable speed systems allowing the control system to determine the optimal operating parameters at any given load based on scheduling and occupancy of the building.

Mechanical upgrades include installation of new VFDs on motors, actuators and flow control valves.

D. Convert to variable flow HW loop

Convert existing constant flow hot water system consisting of three hot water pumps serving AC units, H&V units and unit heaters throughout the facility to variable load. This will be achieved through installation of variable speed drives, replacement of existing motors and new sensors to provide differential control feedback to the VFDs, allowing flow control of the hot water system.

7. Annual Estimated Energy Savings:

1,489,994 kWh

174 kW peak demand

30,656 therms

8. Annual Estimated Energy Cost Savings: \$216,401

9. Project cost: \$1,120,950.00

10. Operational and Maintenance Savings: \$18,000

11. Simple Payback Period: 4.78 years without incentive; 2.19 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: **MAURA WATKINS**

Date: 2/28/17

Quality Control – TRC Solutions

Application No.: L16268

Applicant: The Port Authority of New York and New Jersey

Payee: The Port Authority of New York and New Jersey

Committed Amount: \$606,658.02