



Agenda Date: 5/8/19
Agenda Item: 8B

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 – GARDEN)
SPIRES URBAN RENEWAL, LP) DOCKET NO. QO19030400

Parties of Record:

Anna Weiss, Garden Spires Urban Renewal, LP
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

The New Jersey Board of Public Utilities ("Board" or "BPU") 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. In the Matter of 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 Docket No. EO07030203, (May 3, 2013).

The Combined Heat and Power & Fuel Cell ("CHP/FC") 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.

By this Order, the Board considers the application of Garden Spires Urban Renewal, LP in Newark, New Jersey, submitted on December 6, 2018 under the Fiscal Year 2019 ("FY19") CHP/FC Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY19, dated June 22, 2018. The project is located at 175 & 195 First Street, Newark, New Jersey, 07107. The applicant requests a total financial incentive of \$900,000.00 for a project that will cost \$3,057,020.00.

The proposed cogeneration system consists of six (6) 75 kW Aegis PowerSync units with 0.523 MMBtu/h of potential thermal output each. In total, the system size is 450 kW with a 3.138 MMBtu/h of total thermal output. The projected on-site annual system efficiency is 65.2%. The system will serve the domestic hot water heating and space heating needs of the multifamily facility and is also equipped with black start capabilities.

The estimated first incentive, for purchase of the equipment, is \$270,000.00. The estimated second incentive, for completed installation of the system, is \$450,000.00. The estimated third incentive, granted after acceptance and confirmation of required performance threshold data, is \$180,000.00. These incentive amounts are within entity cap guidelines. Annually, the project is anticipated to generate 3,741,750 kWh of electricity and is estimated to provide 18,095.3 MMBtu of useful heat, with domestic hot water heating receiving 3399.5 MMBtu per year and space heating receiving 14,695.8 MMBtu per year. The system will also reduce electrical grid demand by producing 450 kW of its own power. The proposed project will have an estimated annual energy cost savings of \$258,133.00. The payback period without incentives is 11.84 years; when factoring in the incentives, the payback period is reduced to 8.36 years.

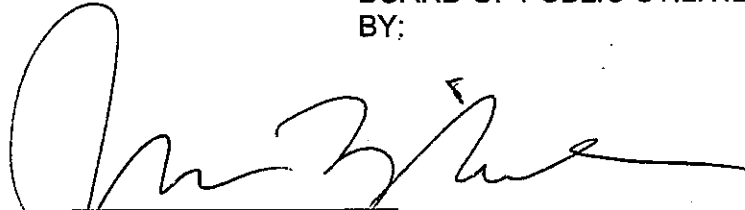
TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP CHP/FC program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the NJCEP Program Administrator, submitted its certification that the incentives were calculated in accordance with the program's policies and procedures, the listed amounts are the true and accurate estimated incentives for which the applicant is eligible, and the documentation supporting estimated energy savings inputs was located, reviewed, and made available to calculate the rebate amounts as required by the program's policies and procedures. Based on these certifications and the information provided by the Program Manager and Program Administrator, Board Staff recommends approval of the above-referenced application.

The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$900,000.00 for Garden Spires Urban Renewal, LP and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

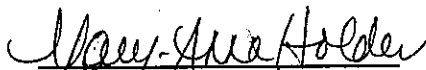
The effective date of this Order is May 18, 2019.

DATED: 5/8/19

BOARD OF PUBLIC UTILITIES
BY:



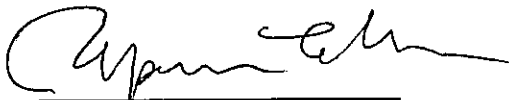
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



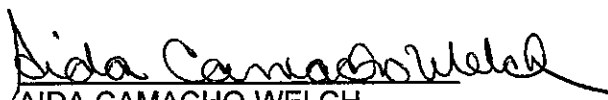
DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
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 PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 –
GARDEN SPIRES URBAN RENEWAL, LP

DOCKET NO. QO19030400

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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 Combined Heat & Power program.



Signature of Preparer

Date 03/15/2019

Valentina Rozanova
Name of Preparer

54010
App#

1. Application Number: **54010**
2. Application Received Date and Fiscal Year: **12/6/2018**
3. Compliance Filing: **FY19 Compliance Filing -- June 22,2018**
4. Customer Contact (name, company, address, phone #):

Anna Weiss
Garden Spires Urban Renewal, LP
175 & 195 First Street, Newark NJ
646-553-1343

5. Project Name and Address:
Garden Spires Urban Renewal, LP
175 & 195 First Street, Newark NJ

6. Rebate amount:
Incentive #1: \$270,000
Incentive #2: \$450,000
Incentive #3: \$180,000
Total: \$900,000

7. Brief description of the CHP system to be installed:
This project involves the installation of (6) 75kW Aegis PowerSync 75 (PS-75) units, with 0.523 MMBTU per hour maximum thermal output each. Total system size is 450 kW, 3.138 MMBTU per hour total thermal output maximum. The system is blackstart equipped. The thermal output of the units will serve the space heating and domestic hot water needs of a multifamily facility. The annual system efficiency is projected as 65.2%.

8. Annual Estimated Energy Savings:
Expected Annual Electricity Production: 3,741,750 kWh
Expected Annual Thermal Energy Production: Domestic hot water will receive 3399.5 MMBtu of thermal energy from the units annually, and space heating will receive 14,695.8 MMBtu thermal energy from the units annually. A grand total of 18,095.3 MMBtu of useful heat will be provided by the units annually.

9. Project Cost: **\$3,057,020**

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

Capital Funds and Bonds

11. Financials: **The project has an 11.84 year simple payback period WITHOUT incentives, and has a simple payback period of 8.36 years WITH the incentive. Avoided energy costs sum to \$258,133.**

**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: _____

Date: 03-26-2019

Maura Watkins

Quality Control – TRC Solutions

Application No.: 54010

Applicant: Garden Spires Urban Renewal, LP

Payee: Garden Spires Urban Renewal, LP

Committed Amount: \$900,000.00