



Agenda Date: 10/25/19
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

IN THE MATTER OF THE CLEAN ENERGY PROGRAM)
AUTHORIZATION OF COMMERCIAL AND)
INDUSTRIAL PROGRAM ENERGY EFFICIENCY)
INCENTIVES EXCEEDING \$500,000 – HMH)
HOSPITALS CORP)

ORDER

DOCKET NO. QG19091001

Parties of Record:

Howard Hendra, Utilities Plant Supervisor, HMH Hospitals Corp
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:¹

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"). 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, Order dated May 3, 2013.

The Large Energy Users Program ("LEUP") fosters self-investment in EE and combined heat and power projects for New Jersey's largest C&I customers. Incentives are awarded to eligible customers that satisfy the program requirements for investing in self-directed energy projects that are customized to meet the needs of the customers' existing facilities, while advancing the State's energy efficiency, conservation, and greenhouse gas reduction goals.

By this Order, the Board considers the application of HMH Hospitals Corp in Neptune, New Jersey, submitted on June 29, 2018 under the Fiscal Year 2018 ("FY18") LEUP Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY18 dated January 26, 2018. The proposed project is located at the Jersey Shore University Medical

¹ Commissioner Robert M. Gordon recused himself due to a potential conflict of interest and as such took no part in the discussion of this matter.

Center, 1945 Corlies Avenue, Neptune, New Jersey. The applicant requests a total financial incentive of \$732,213.02 for a project that will cost \$1,215,612.30.

This application covers the refurbishment and upgrade of the air handling unit at the Jersey Shore University Medical Center. The project includes the replacement of three centrifugal fans with fan arrays, replacement of one heat wheel, and installation of controls to provide efficient operation of the four fan arrays and the hot and cold decks. These measures will improve the system's efficiency while maintaining necessary airflow for the area served.

The project is anticipated to conserve 1,825,094 kWh of electricity and 168,626 therms of natural gas per year. It will also reduce peak-electricity demand by an anticipated 208 kW. The project will have an estimated annual energy cost savings of \$339,556.00. The requested incentive will reduce the project's payback period from 3.58 to 1.45 years. Implementation of the proposed measures will also assist in compliance with P.L. 2018, c. 17, § C.48:3-87.10, which requires the owner or operator of commercial buildings over 25,000 square feet to benchmark the building's energy and water use. The required inspection of sites that receive funding through the LEUP following the installation of energy efficient measures will not only help to ensure adherence to agreed-upon performance and energy savings baselines, but will also allow for a more defined pathway for commercial building owners to report their energy usage.

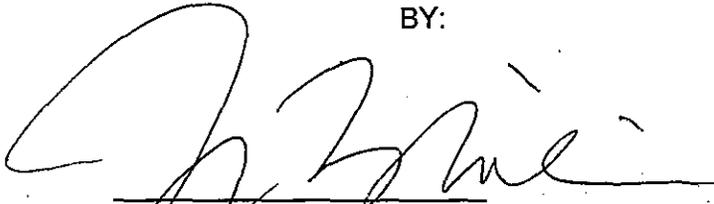
TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP LEUP program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the 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 \$732,213.02 for HMH Hospitals Corp and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

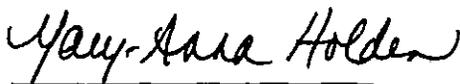
The effective date of this Order is November 4, 2019.

DATED: 10/25/19

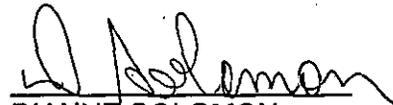
BOARD OF PUBLIC UTILITIES
BY:



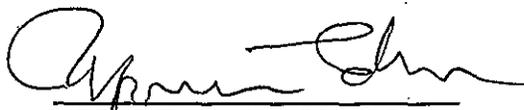
JOSEPH L. FIORDALISO
PRESIDENT



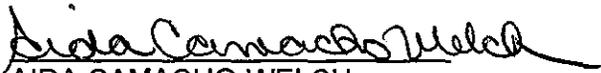
MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
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 –
HMH HOSPITALS CORP

DOCKET NO. QG190901001

SERVICE LIST

Howard Hendra
Utilities Plant Supervisor
HMH Hospitals Corp
1945 Corlies Avenue
Neptune, NJ 07753

Stefanie A. Brand, Esq., Director
New Jersey Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
sbrand@rpa.nj.gov

TRC Energy Solutions:
900 Route 9 North, Suite 404
Woodbridge, NJ 07095

Carl Teter, P.E., LEED AP
Vice President
cteter@trcsolutions.com

Marybeth Brenner
Associate Vice President
mbrenner@trcsolutions.com

Valentina Rozanova
Associate Director, Engineering
vrozanova@trcsolutions.com

Brian Deluca
Program Manager
bdeluca@trcsolutions.com

Maura Watkins
Manager, Technical Support
mwatkins@trcsolutions.com

Michael Ambrosio
Director, Policy and Planning
317 George Street, Suite 520
New Brunswick, NJ 08901
mambrosio@trcsolutions.com

Board of Public Utilities:
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Aida Camacho-Welch
Secretary of the Board
board.secretary@bpu.nj.gov

Stacy Ho Richardson, Esq.
Counsel's Office
stacy.richardson@bpu.nj.gov

Division of Clean Energy

Sara Bluhm Gibson, Director
sara.bluhm@bpu.nj.gov

Sherri Jones, Assistant Director
sherri.jones@bpu.nj.gov

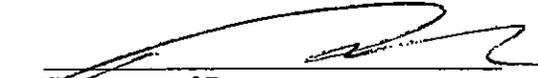
Benjamin Goldstein, Program Specialist
benjamin.goldstein@bpu.nj.gov

Deputy Attorneys General:
Department of Law & Public Safety
Division of Law
R.J. Hughes Justice Complex
25 Market Street
Post Office Box 112
Trenton, N.J. 08625

Pamela Owens, DAG
pamela.owens@law.njoag.gov

Paul Youchak, DAG
paul.youchak@law.njoag.gov

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

10/3/19
Date

Brian DeLuca
Name of Preparer

51942
App#

1. Application Number: **51942**
2. Application Received Date and Fiscal Year: **6/29/2018, FY18 Large Energy Users Program**
3. Compliance Filing: **FY2018 Compliance Filing dated 1/26/2018**
4. Customer Contact (name, company, address, phone #):

**Howard Hendra
Utilities Plant Supervisor
HMH Hospitals Corp dba Jersey Shore University Medical Center
1945 Corlies Ave
Neptune, NJ 07753
732-776-4101**

5. Project Name and Address:
**Air Handling Unit Refurbishment
Jersey Shore University Medical Center
1945 Corlies Ave
Neptune, NJ 07753**
6. Rebate amount: **\$732,213.02**
7. Brief description of measures:
Refurbishment of a hot deck/cold deck air handling system serving Jersey Shore Medical Center. The refurbishment will include replacement of three centrifugal fans with fan arrays, replacement of one heat wheel, and the installation of controls to provide efficient operation of the three fan arrays and hot deck/cold decks, while maintaining necessary airflow for the area served.
8. Annual Estimated Energy Savings:
**1,825,094 kWh
208 kW peak demand
168,626 therms**
9. Annual Estimated Energy Cost Savings: **\$339,556.00**
10. Project cost: **\$1,215,612.30**
11. Operational and Maintenance Savings: **\$0**
12. Simple Payback Period: **3.58 years without incentive; 1.45 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: _____

Date: 10-03-2019

Maura Watkins

Quality Control – TRC Solutions

Application No.: 51942

Applicant: HMH Hospitals Corp

Payee: Fairbanks Energy Services

Committed Amount: \$732,213.02