



Agenda Date: 11/13/19
Agenda Item: 8B

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
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 – DIGITAL)
REALTY TRUST LP) DOCKET NO. QG19101350

Parties of Record:

John Dumler, Director of Energy Management, Digital Realty Trust 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"). 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 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 Digital Realty Trust LP ("Digital Realty") in Clifton, New Jersey, submitted on March 12, 2019 under the Fiscal Year 2019 ("FY19") LEUP Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY19 dated June 22, 2018. The project covers upgrades for two data centers at Digital Realty's Clifton campus: 100 Delawanna Avenue, Clifton, New Jersey and 2 Peekay Drive, Clifton, New Jersey. The applicant requests a total financial incentive of \$870,781.60 for a project that will cost \$1,350,214.00.

In order to maximize the data centers' energy efficiency, Digital Realty's application proposes energy conservation measures ("ECMs") that relate to airflow management and computer room air conditioner ("CRAC") replacement. To improve the facilities' airflow, the application proposes installing perforated floor tiles as part of a cold air aisle containment system. This approach increases air delivery efficiency by separating hot and cold airflows and focusing cold air through the tiles directly to the server equipment. CRACs are devices designed to monitor and maintain temperature, humidity, and other factors specifically for data centers and other areas containing computer networks. In this case, Digital Realty aims to replace their outdated CRACs with new models that include features that enable more efficient cooling by utilizing external air temperature when possible.

Annually, the project is anticipated to conserve 3,388,288 kWh of electricity and reduce peak demand by an anticipated 387 kW. The proposed project has an annual estimated energy cost savings of \$298,169.00 and includes an additional \$22,500.00 in operational and maintenance savings. The payback period without incentives is 3.93 years; when factoring in the incentives, the payback period is reduced to 1.22 years. Implementation of these measures will also assist in compliance with N.J.S.A. 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.

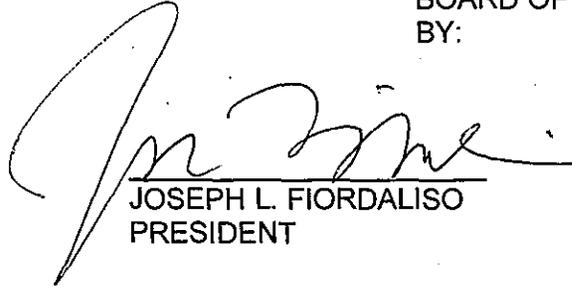
TRC Environmental Corporation, the Program Manager engaged by the Board to manage the NJCEP LEUP program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the 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 \$870,781.60 for Digital Realty Trust 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 November 23, 2019.

DATED: 11/13/19

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



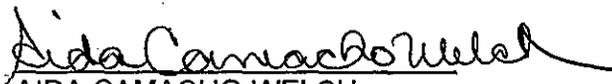
DIANNE SOLOMON
COMMISSIONER



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 –
DIGITAL REALTY TRUST LP

DOCKET NO. QG19101350

SERVICE LIST

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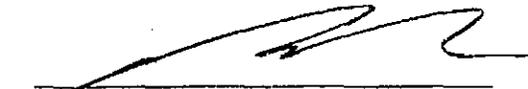
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Paul Youchak, DAG
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The undersigned preparer attests that, to the best of their knowledge and belief, the above information is accurate and the subject project application adheres to the current terms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



Signature of Preparer

10/4/19
Date

Brian DeLuca
Name of Preparer

55338
App#

1. Application Number: **55338**
2. Application Received Date and Fiscal Year: **3/12/2019, FY19 Large Energy Users Program**
3. Compliance Filing: **FY2019 Compliance Filing dated 6/22/2018**
4. Customer Contact (name, company, address, phone #):
**John Dumler, P.E., C.E.M.
Director, Energy Management
Digital Realty Trust LP
100 Delawanna Ave, Unit B
Clifton, NJ 07014-1554
770-653-6911**
5. Project Name and Address:
Data Center Upgrades
 - **100 Delawanna Ave
Clifton, NJ 07014**
 - **2 Peekay Drive
Clifton, NJ 07014**
6. Rebate amount: **\$870,781.60**
7. Brief description of measures:
Airflow management, computer room air conditioner (CRAC) replacement and selection of efficient new CRACs to accommodate load growth in existing data centers located on Digital Realty Trust's Clifton campus. Includes installation of perforated tile and cold air aisle containment which will increase efficiency of air delivery by separating hot and cold airflows. Replacement of existing CRACs with new models that have energy efficiency features such as electrically commutated (EC) fans and economizer coils which enable free-cooling operation when outdoor air conditions permit.
8. Annual Estimated Energy Savings:
**3,388,288 kWh
387 kW peak demand
0 therms**
9. Annual Estimated Energy Cost Savings: **\$298,169**
10. Project cost: **\$1,350,214**
11. Operational and Maintenance Savings: **\$22,500.00**
12. Simple Payback Period: **3.93 years without incentive; 1.22 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: 10-04-2019

Maura Watkins

Quality Control – TRC Solutions

Application No.: 55338

Applicant: Digital Realty Trust LP

Payee: Digital Realty Trust LP

Committed Amount: \$870,781.60