



Agenda Date: 7/15/2020
Agenda Item: 8D

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) ORDER
PROGRAM ENERGY EFFICIENCY INCENTIVES)
EXCEEDING \$500,000 – NJ TRANSIT) DOCKET NO. QO20050359

Parties of Record:

Steven Jenks, Ph.D., Manager of Energy & Sustainability Programs, NJ Transit
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 C&I 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. 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 customers that satisfy the program's eligibility and program requirements for investing 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.

By this Order, the Board considers the application of NJ Transit submitted on June 18, 2018 under the Fiscal Year 2018 ("FY18") LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY18 dated January 1, 2018. The proposed project will take place at several NJ Transit locations across New Jersey. The applicant requests a total financial incentive of \$1,603,766.67 for a project that will cost \$4,087,090.14.

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

This application covers three distinct EE upgrades:

1. Meadows Maintenance Facility (“MMC”) Lighting Upgrades – 1148 Newark Turnpike, Kearny, NJ 07032
 - NJ Transit plans to replace 158 existing metal halide high-bay light fixtures with new LED fixtures in the Service & Inspection and Wheel True buildings at MMC. The new LED fixtures will be equipped with sensors which dim or turn off fixtures based on occupancy levels in the area. The existing 1000 and 400 watt HID high bays will be replaced with LED fixtures that maintain necessary light levels while using 50% less wattage.

2. Vehicle Base Facility (“VBF”) Lighting Upgrades – 261 Grove Street, Bloomfield, NJ 07003
 - NJ Transit plans to replace 100 existing metal halide high-bay light fixtures with new LED fixtures on the shop floor. The new LED fixtures will be equipped with sensors which dim or turn off fixtures based on occupancy levels in the area. The existing 400 watt HID high bays will be replaced with LED fixtures that maintain necessary light levels while using 50% less wattage.

3. Efficient Switch Heater Upgrades
 - NJ Transit plans to upgrade existing switch heaters at various locations throughout its territory with high efficiency switch heaters. In cold conditions, the heaters are used to preserve the correct operation of switches in the rail system. Existing electric heaters will be replaced with new heaters with a more efficient design that provides three times more heat directly to the switch rail compared to the old design.

 - The rail switch locations identified for efficient upgrades are:
 - Kearny, NJ 07032;
 - Summit, NJ 07901;
 - Wharton, NJ 07885;
 - Landing, NJ 07850;
 - Lincoln Park, NJ 07035;
 - Harrison, NJ 07029;
 - Atlantic City, NJ 08401;
 - Pomona, NJ 08240;
 - Elwood, NJ 08217;
 - Winslow, NJ 08095;
 - Lindenwold, NJ 08021; and
 - Haddon, NJ 08108.

Annually, the proposed project is anticipated to conserve 4,859,899 kWh of electricity and reduce peak electricity demand by 157.35 kW. The project is estimated to result in annual energy cost savings of \$418,245.02, as well as annual operational and maintenance savings of \$240,386.00. The project’s payback period without incentives is 6.21 years; when factoring in the incentives, the payback period is reduced to 3.77 years.

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 \$1,603,766.67 for NJ Transit and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

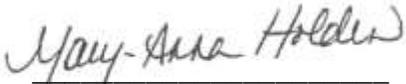
The effective date of this Order is July 25, 2020.

DATED: July 15, 2020

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER

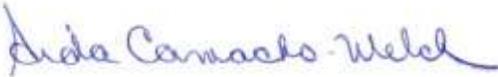


DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL
AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 –
NJ TRANSIT - DOCKET NO. QO20050359

SERVICE LIST

Steven Jenks, Ph.D.
Manager, Energy & Sustainability Programs
NJ Transit
One Penn Plaza East
Newark, NJ 07105

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@trccompanies.com

Marybeth Brenner
Associate Vice President
mbrenner@trccompanies.com

Valentina Rozanova
Associate Director, Engineering
vrozanova@trccompanies.com

Brian DeLuca
Senior Program Manager
bdeluca@trccompanies.com

Maura Watkins
Manager, Technical Support
mwatkins@trccompanies.com

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

TRC Energy Solutions, cont'd:

Thomas Kowalczyk
Manager, Regulatory Compliance
tkowalczyk@trccompanies.com

Alex Witzl
Project Engineer III
awitzl@trccompanies.com

Leigh Cignavitch
Associate Project Manager
lcignavitch@trccompanies.com

New Jersey Board of Public Utilities

44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

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

Stacy Ho Richardson, Esq.
Legal Specialist
stacy.richardson@bpu.nj.gov

Division of Clean Energy

Kelly Mooij, Director
kelly.mooij@bpu.nj.gov

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

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

New Jersey Division of Law

Department of Law & Public Safety
Division of Law
R.J. Hughes Justice Complex, 7th Floor West
25 Market Street
P.O. Box 112
Trenton, NJ 08625-0112

Pamela Owen, Assistant Section Chief, DAG
pamela.owen@law.njoag.gov

Matko Ilic, DAG
matko.ilic@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.

Brian DeLuca

Signature of Preparer

5-7-2020

Date

Brian DeLuca

Name of Preparer

51764

App#

1. Application Number: **51764**
2. Application Received Date and Fiscal Year: **6/18/2018, FY18 Large Energy Users Program**
3. Compliance Filing: **FY2018 Compliance Filing dated 1/26/2018**
4. Customer Contact (name, company, address, phone #):

Steven Jenks, Ph.D.
Manager, Energy & Sustainability Programs
NJ Transit
One Penn Plaza East
Newark, NJ 07105
973-491-8589

5. Project Name and Address:
Meadows Maintenance Facility (MMC) Lighting Upgrades
1148 Newark Turnpike
Kearny, NJ 07032

Vehicle Base Facility (VBF) Lighting Upgrades
261 Grove Street
Bloomfield, NJ 07003

Efficient Switch Heater Upgrades
Various Rail Switch Locations:
Kearny, NJ 07032
Summit, NJ 07901
Wharton, NJ 07885
Landing, NJ 07850
Lincoln Park, NJ 07035
Harrison Town, NJ 07029
Atlantic City, NJ 08401
Pomona, NJ 08240
Elwood, NJ 08217
Winslow, NJ 08095
Lindenwold, NJ 08021
Haddon Twp, NJ 08108

6. Rebate amount: **\$1,603,766.67**
7. Brief description of measures:
Meadows Maintenance Facility (MMC) Lighting Upgrades
NJ Transit plans to replace 158 existing metal halide high-bay light fixtures with new LED fixtures in the Service & Inspection and Wheel True buildings at MMC. The new LED fixtures will be equipped with sensors which dim or turn

off fixtures based on occupancy levels in the area. The existing 1000 and 400 watt HID high bays will be replaced with LED fixtures that maintain necessary light levels while using 50% less wattage.

Vehicle Base Facility (VBF) Lighting Upgrades

NJ Transit plans to replace 100 existing metal halide high-bay light fixtures with new LED fixtures on the shop floor. The new LED fixtures will be equipped with sensors which dim or turn off fixtures based on occupancy levels in the area. The existing 400 watt HID high bays will be replaced with LED fixtures that maintain necessary light levels while using 50% less wattage.

Efficient Switch Heater Upgrades

NJ Transit plans to upgrade existing switch heaters at various locations throughout its territory with high efficiency switch heaters. In cold conditions, the heaters are used to preserve the correct operation of switches in the rail system. Existing electric heaters will be replaced with new heaters with a more efficient design that provides three times more heat directly to the switch rail compared to the old design.

8. Annual Estimated Energy Savings:
4,859,899 kWh
157.35 kW peak demand
0 therms
9. Annual Estimated Energy Cost Savings: **\$418,245.02**
10. Project cost: **\$4,087,090.14**
11. Operational and Maintenance Savings: **\$240,386.00**
12. Simple Payback Period: **6.21 years without incentive; 3.77 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.



By: _____

Date: **05-07-2020**

Maura Watkins

Quality Control – TRC Solutions

Application No.: **51764**

Applicant: **NJ Transit**

Payee: **NJ Transit**

Committed Amount: **\$1,603,766.67**