



Agenda Date: 11/17/21
Agenda Item: 8B

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st 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 – PF COLONNADE)
APARTMENTS LLC) DOCKET NO. QO21101157

Parties of Record:

David Helfgot, Vice President, PF Colonnade Apartments LLC
Brian O. Lipman, 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") provides 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 ("DER"). The Pay for Performance Program ("P4P") has been designed to incentivize building owners, developers, or other applicants to take a comprehensive long-term approach to incorporate EE in their buildings. 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 Pay for Performance – Existing Buildings ("P4P-EB") Program uses a comprehensive, whole-building approach to EE in existing C&I buildings or eligible multi-family facilities. Similar to performance contracting programs offered in other states, this program links incentives directly to energy savings and includes a measurement and verification component to determine that the estimated savings levels are achieved. Incentives are released upon satisfactory completion of three milestones.

By this Order, the Board considers the application of PF Colonnade Apartments LLC in Newark, New Jersey, submitted on August 20, 2020 under the Fiscal Year 2020 ("FY20") P4P-EB Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY20 dated June 21, 2019. The project is located at 25-51 Clifton Ave, Newark, New Jersey 07104. The applicant requests a total financial incentive of \$911,367.88 for a project that will cost \$2,148,896.

The full list of EE measures to be installed in the 22-story residential apartment building with 560 units includes LED lighting in apartments, LED lighting in common areas, occupancy-based lighting controls in common areas, window sealing and packaged terminal AC sleeve sealing in apartments, new high efficiency hot water boilers, variable frequency drives on hot water and domestic hot water pumps, boiler outside air reset controls, daylight-based lighting controls for façade and parking fixtures, LED lighting for exterior fixtures, high efficiency domestic hot water heaters, and low-flow faucets and shower heads. This project is an enhanced incentive project, as the building is located within an Urban Enterprise Zone.

The estimated first incentive, for submitting a complete energy reduction plan prepared by an approved program partner, is \$50,000. The estimated second incentive, for the installation of recommended measures per the energy reduction plan, is \$430,683.94. The estimated third incentive, for completing the Post-Construction Benchmarking Report demonstrating achieved energy savings, is \$430,683.94. The second and third incentives include enhanced incentives, and all incentive amounts are within entity cap guidelines. The project is anticipated to annually save 603,734 kWh of electricity and 135,392 therms in waste heat. The project will also reduce peak demand by an anticipated 128 kW per year. The proposed project will have an estimated annual energy cost savings of \$136,149. The payback period without incentives is 15.8 years; when factoring in the incentives, the payback period is reduced to 9 years.

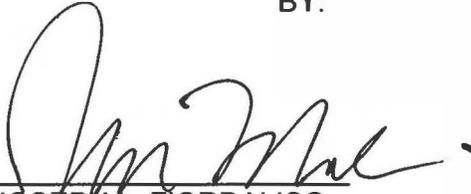
TRC Environmental Corporation ("TRC"), the Program Manager engaged by the Board to manage the NJCEP P4P-EB program, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role 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 TRC, Board Staff ("Staff") recommends approval of the above-referenced application.

After thorough review of the record and Staff's recommendation, the Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$911,367.88 for PF Colonnade Apartments LLC 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 24, 2021

DATED: November 17, 2021

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

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL
AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 –
PF COLONNADE APARTMENTS LLC

DOCKET NO. QO21101157

SERVICE LIST

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