



Agenda Date: 8/14/24

Agenda Item: 8C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st 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)	
ENERGY EFFICIENCY INCENTIVES EXCEEDING)	
\$500,000 – ATLANTIC HEALTH SYSTEM)	DOCKET NO. QO24060424

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Robert Peake, Vice President, Facilities Management & Real Estate, Atlantic Health System

BY THE BOARD:

The New Jersey Board of Public Utilities ("Board") through New Jersey's Clean Energy Program ("NJCEP") manages several individual commercial and industrial ("C&I") energy efficiency ("EE") programs targeting the C&I market segments. Eligible applicants may receive rebates for a portion of the cost of installing energy efficient technologies such as light-emitting diode lighting, heating, ventilation, and air conditioning, and other energy conservation measures ("ECMs"). NJCEP offers incentives to large energy users to upgrade or install ECMs in existing buildings to help offset these capital costs. 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.¹

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 Atlantic Health System ("Applicant"), submitted on May 4, 2023 under the Fiscal Year 2023 ("FY23") CHP-FC Program pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY23 dated April 12, 2023. The

¹ In re 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.

project is located at the Overlook Medical Center in Summit, New Jersey. Applicant requested a total financial incentive of \$3,000,000 for a project that is expected to cost \$10,290,813.

This project involves the installation of a 2,646-kilowatt combined heat and power system. It has a system efficiency of 71.8% and will have black start and islanding capabilities.²

The project is anticipated to annually produce 22,516,539 kilowatt-hours ("kWh") of electricity and 56,735.8 million British thermal units ("MMBtu") of recovered heat. The project is anticipated to save an estimated 13,358 MMBtu in cooling and an estimated 43,378 MMBtu in heating. The estimated payback period without incentives is 8.94 years; when factoring in the incentives, the estimated payback period is reduced to 6.33 years.

TRC Environmental Corporation ("TRC"), the Program Manager engaged by the Board to manage the 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, certified 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 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 recommends approval of the above-referenced application.

FINDINGS

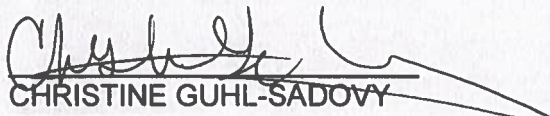
The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$3,000,000 for Atlantic Health System and **AUTHORIZES** issuance of a standard commitment letter to the Applicant identified above, setting forth the terms and conditions of this commitment.

² Black start is the ability for power generation to restart parts of a power system to recover from an outage. Islanding is the ability for a power system to operate independently of a power grid during an outage.

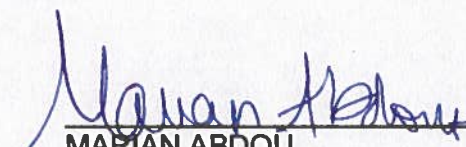
The effective date of this Order is August 21, 2024.

DATED: August 14, 2024

BOARD OF PUBLIC UTILITIES
BY:

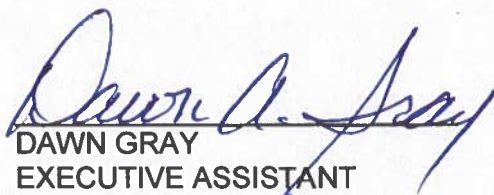

CHRISTINE GUHL-SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST:


DAWN GRAY
EXECUTIVE ASSISTANT

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
ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – ATLANTIC HEALTH SYSTEM

DOCKET NO. QO24060424

SERVICE LIST

Robert Peake
Vice President, Facilities Management & Real Estate
Atlantic Health System
100 Madison Ave, Morristown, NJ 07960
robert.peake@atlanticealth.org

Brian O. Lipman, Esq., Director
Division of Rate Counsel
140 East Front Street, 4th Floor
Trenton, NJ 08625-0003
blipman@rpa.nj.gov

TRC Environmental Corporation

317 George Street, Suite 520
New Brunswick, NJ 08901

Marybeth Brenner, Associate Vice President
mbrenner@trccompanies.com

Michael Ambrosio, Director, Policy and Planning
mambrosio@trccompanies.com

Valentina Rozanova, Associate Director, Engineering
vrozanova@trccompanies.com

Thomas Kowalczyk, Manager, Regulatory Compliance
tkowalczyk@trccompanies.com

Maura Watkins, Manager, Technical Support
mwatkins@trccompanies.com

Brian DeLuca, Senior Program Manager
bdeluca@trccompanies.com

Leigh Cignavitch, Associate Project Manager
lcignavitch@trccompanies.com

New Jersey Division of Law

Public Utilities Section
R.J. Hughes Justice Complex
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Daren Eppley, Section Chief, DAG
daren.eppley@law.njoag.gov

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

Matko Ilic, DAG
matko.ilic@law.njoag.gov

New Jersey Board of Public Utilities

44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350

Sherri L. Golden, Secretary
board.secretary@bpu.nj.gov

Bob Brabston, Esq., Executive Director
robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Taryn Boland, Chief of Staff
taryn.boland@bpu.nj.gov

Henry Gajda, Deputy Chief of Staff
henry.gajda@bpu.nj.gov

General Counsel's Office

Carol Artale, Deputy General Counsel
carol.artale@bpu.nj.gov

Alex Cary, Regulatory Officer
alexander.cary@bpu.nj.gov

Division of Clean Energy

Véronique Oomen, Director
veronique.oomen@bpu.nj.gov

Stacy Ho Richardson, Esq., Deputy Director
stacy.richardson@bpu.nj.gov

Kevin Monte de Ramos, Bureau Chief, Energy
Efficiency and Building Decarbonization
kevin.montederamos@bpu.nj.gov

Rupa Deshmukh, Energy Efficiency Manager
rupa.deshmukh@bpu.nj.gov

Dustin Wang, Program Specialist I
dustin.wang@bpu.nj.gov

Earl Thomas Pierce, Administrative Analyst
earl.pierce@bpu.nj.gov