Proposed FY23 New Construction Program
• Overview of FY22 Energy Efficiency Programs
• Challenges of existing FY22 New Construction Programs
• Objective of Re-Design
• FY23 New Construction Program
  • Design
  • Roll-out Timeline
In 2018, Governor Murphy signed into law the Clean Energy Act.

Required New Jersey’s investor-owned gas and electric utility companies to reduce their customers’ use of gas and electricity by set percentages over time.

Many of NJCEP’s existing building/retrofit programs sunset, while utilities launched new similar programs.

Presented NJBPU an opportunity to re-evaluate the remaining new construction suite of programs.
CURRENT NEW CONSTRUCTION PROGRAMS
C&I New Construction

C&I and multifamily, **new construction** or **gut rehab**. In general measures/project must exceed **ASHRAE 90.1-2016**

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
<th>Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Whole Building/ Comprehensive:</strong> Pay for Performance Program</td>
<td>Designed for buildings with 50,000 square feet for more of planned conditioned space. Comprehensive improvements addressing heating, cooling, lighting, and envelope.</td>
<td>$1.23-$1.94 /conditioned sqft + bonuses</td>
</tr>
<tr>
<td><strong>Multi-Measure:</strong> Customer Tailored Energy Efficiency Program</td>
<td>Bundle multiple prescriptive and custom measures into a single application. Includes eligibility for technical assistance incentives to help offset soft costs associated with custom measure development.</td>
<td>Prescriptive: fixed $/unit of equipment (e.g. $/light fixture, $/ton)</td>
</tr>
<tr>
<td><strong>Single Measure:</strong> SmartStart Buildings Program</td>
<td></td>
<td>Custom: $0.16/kWh, $1.60/therm</td>
</tr>
</tbody>
</table>
### Residential New Construction

Single family, multi-single, or multifamily **new construction** or **gut rehab** projects.

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
<th>Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole Building/ Comprehensive: RNC Program</td>
<td>Alignment with ENERGY STAR Multifamily New Construction and Homes Certification or DOE Zero Energy Ready Homes and DOE Zero Energy Ready Homes + Renewables.</td>
<td>$500/unit for MF $500-$4000/home +savings and other bonuses</td>
</tr>
</tbody>
</table>
Challenges with Current Programs

1. Program overlap, particularly Multifamily

2. Market confusion, particularly in multipurpose buildings

3. Gap in offerings for mid-level engagement (i.e. either prescriptive or high-performance whole building)

4. Program components don’t align well with new State EMP goals
Objectives of New Program

- Single Point of Entry for all market segments
- Eliminate gaps in program offerings, particularly method to claim savings and incentives between prescriptive and comprehensive whole building
- Broaden depth of scope by phasing out single-measure incentives, add proxy programs, and introduce advanced measure bonuses
- Improve Customer Journey
- Increase Participation through early engagement
- Support Building Electrification
PROPOSED NEW CONSTRUCTION PROGRAM
New design:
Streamlined way to choose a pathway for your next project.

Designed for all new construction buildings: residential, multifamily, commercial, industrial, and government
Bundled Pathway

ABOUT  Typical above-code upgrades bundled together in packages that fit your needs to achieve deeper savings

SAVINGS  Deemed savings calculated based on prescriptive minimum standards associated with each component

ELIGIBLE BUILDINGS  Single Family, Multifamily, Commercial, Industrial, Municipal and Institutional

INCENTIVES  Incentives will be awarded for any project achieving the required minimum points
### Bundled Pathway

Select 2 or more of the below measures to create your own Bundled Package.
Minimum points to qualify for this Pathway is 10.

<table>
<thead>
<tr>
<th>Measure Category</th>
<th>Measure</th>
<th>Points</th>
<th>Measure Category</th>
<th>Measure</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attic/Ceiling/Roof Insulation</td>
<td>4</td>
<td>Energy Star Appliances</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basement/BGW or Slab Insulation</td>
<td>3</td>
<td>Food Service Equipment</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficient Windows</td>
<td>3</td>
<td>High Efficiency Exterior Lighting</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wall Insulation</td>
<td>4</td>
<td>High Efficiency Interior Lighting</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crawl Space Insulation</td>
<td>1</td>
<td>Low Flow Fixtures</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced Infiltration</td>
<td>2</td>
<td>Domestic Water Heater- Electric</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exterior Doors</td>
<td>1</td>
<td>Domestic Water Heater- Gas</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Efficient Balanced Ventilation</td>
<td>2</td>
<td>Ducts located in Conditioned Spaces</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric Chiller (Comfort Cooling)</td>
<td>4</td>
<td>VRF</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric Unitary HVAC (non-heat pump)</td>
<td>4</td>
<td>Energy Recovery</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas Heating</td>
<td>3</td>
<td>HVAC Controls or user occupancy controls</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This list of measures and/or point values has not been finalized and is subject to change.
Bundled Pathway - Horticulture

<table>
<thead>
<tr>
<th>Measure Category</th>
<th>Measure</th>
<th>Points</th>
<th>Measure Category</th>
<th>Measure</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dehumidifiers</td>
<td>Condensing unit heater</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Pressure Irrigation Regulator</td>
<td>IR Polyethylene Greenhouse Cover</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Irrigation Pump</td>
<td>Intelligent Greenhouse Controller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radiant heater, non-modulating</td>
<td>LED Grow Lights</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radiant heater, modulating</td>
<td>Destratification Fans</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pipe Insulation</td>
<td>Energy Shade Screens</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thermal Curtain</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

HORTICULTURE PATHWAY
Select 2 or more of the below measures to create your own Bundled Package for Indoor Agriculture*. Minimum points to qualify for this Pathway is 10.

*For facilities that support retail of the grown product, please see available measures in the Bundled Pathway.

This list of measures has not been finalized and is subject to change.
Streamlined Pathway

ABOUT Fill in the “gap” between low cost, simple prescriptive offerings, and expensive, complex high-performance whole building offerings. Ideal for smaller buildings that cannot carry expensive modeling costs without sacrificing comprehensive energy efficient design

SAVINGS Modeled in specialized software that requires minimal inputs to generate relatively accurate projected savings

ELIGIBLE BUILDINGS Multifamily, Commercial, Industrial, Municipal and Institutional

INCENTIVES Incentives will be awarded to projects that can show modeled savings that meet the minimum performance design threshold
High Performance Pathway

ABOUT  Requires participation in a national standard ("Proxy") or an ASHRAE Model

SAVINGS  Requires participation in a national standard ("Proxy") or an ASHRAE Model

ELIGIBLE BUILDINGS  Single Family, Multifamily, Commercial, Industrial, Municipal and Institutional

INCENTIVES  Incentives will be awarded to projects that achieve Certification from one of the national standards or completes an energy model that shows the minimum performance threshold has been met.
Advanced Measure Bonus

ABOUT
Available to all pathways; participation in one of the pathways is required to access this bonus to prepare buildings for code advancements and electrification

SAVINGS
Savings calculated based on chosen pathway

INCENTIVES
Incentives will be awarded to projects who successfully install one, or more, of the available Advanced Measures

<table>
<thead>
<tr>
<th>Measure Category</th>
<th>Measure</th>
<th>Measure Category2</th>
<th>Measure3</th>
</tr>
</thead>
<tbody>
<tr>
<td>☀️</td>
<td>Solar Domestic Water Heater</td>
<td>☀️ Heat Pump Chillers</td>
<td></td>
</tr>
<tr>
<td>☀️</td>
<td>Electric-Ready Building Design</td>
<td>☀️ Intelligent Load Control</td>
<td></td>
</tr>
<tr>
<td>☀️</td>
<td>EV-Ready</td>
<td>☀️ Induction Cooking Equipment</td>
<td></td>
</tr>
<tr>
<td>☀️</td>
<td>Ground Source/Geothermal Heat Pump</td>
<td>☀️ External Light Shelves</td>
<td></td>
</tr>
<tr>
<td>☀️</td>
<td>Heat Pump Water Heater</td>
<td>☀️ Advanced Lighting Controls</td>
<td></td>
</tr>
<tr>
<td>☀️</td>
<td>High Efficiency Ductless Heat Pump</td>
<td>☀️ On-site Battery Storage</td>
<td></td>
</tr>
<tr>
<td>☀️</td>
<td>High Efficiency Packaged Terminal Heat Pump</td>
<td>☀️ Smart Connected</td>
<td></td>
</tr>
</tbody>
</table>

Install any of the below Advanced Measures and receive an additional bonus above the standard program offering.

This list of measures has not been finalized and is subject to change.
Incentives

Meet minimum point value
$(x)/sf

Meet modeling/savings/measure requirements
$(x*1.5)/sf

Bundled Pathway
Streamlined Pathway

Receive Proxy Certification or model per ASHRAE
$(x*2)/sf

High Performance

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# FY23 New Construction Timeline

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2022</td>
<td>FY22 programs continue into early FY23</td>
</tr>
<tr>
<td>August 3, 2022</td>
<td>Legacy RNC transitions from CLEAResult to TRC</td>
</tr>
<tr>
<td>TBD</td>
<td>New Construction Program (NCP)</td>
</tr>
</tbody>
</table>

*Residential New Construction*
*SmartStart New Construction*
*CTEEP New Construction*
*P4P New Construction*

*Projects previously enrolled in legacy NC programs will continue in those programs until completion.*

*No change to RNC program*
• Deadline for comments is 5 p.m. on Friday, July 29, 2022
• Members of the public may file written comments after this meeting, regardless of whether they participate in the meeting process
  • Submit comments on the draft plan directly to DOCKET NO. QQ22050327 using the “Post Comments” button on the Board’s Public Document Search tool.
  • Written comments may also be submitted to:
    Secretary of the Board
    44 South Clinton Ave., 1st Floor PO Box 350
    Trenton, NJ 08625-0350 Phone: 609-292-1599
    Email: board.secretary@bpu.nj.gov

Comments are considered “public documents” for purposes of the State’s Open Public Records Act and any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3.
More Information

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