

October 12, 2018

Re: NJ Energy Master Plan Comments

Below are my comments on the NJ Energy Master Plan in the form of two (2) recommendations.

1. Enforce NJ UCC Energy Subcode Consistently

Currently, there is significant variation from one municipality to another in the enforcement of the Energy Subcode referenced in the NJ UCC. There are various reasons for this, but the result end result is that:

- a) Many, if not most, newly constructed buildings are not actually compliant with the Energy Subcode referenced in the NJ UCC. This has a long-term effect on NJ's energy usage;
- b) NJ's efforts (including NJCEP/utility incentives) to encourage developers to participate in "above code" energy efficiency programs are undercut because the actual baseline for cost comparison is, on average, less energy efficient than minimum Energy Subcode requirements since they are often consistently enforced.

This is a systemic problem resulting from many forces, will be incredibly difficult to solve. But it is worth solving because of the potential cascading, wide-ranging positive impact. It is possible that regionalization or privatization of enforcement of the Energy Subcode, if not of all of the NJ UCC, may prove to be the best option in the long run.

2. Streamline Green Building Standards for NJEDA Tax Credit Programs (Economic Redevelopment and Growth, Grow NJ, NJ Forward, NJ Aspire, Evergreen etc.)

The current "Green Building Standards Guidance for Potential ERG and Grow NJ Applicants (Updated 7/13/16)" allow for various methods for compliance, including not actually earning certification but simply the "equivalency" thereof. There is also redundancy in the standards, which allow compliance based on participation in NJCEP requiring a % energy reduction but then also allow compliance by just directly documenting that energy % reduction without NJCEP participation. This puts the NJEDA in a position of directly reviewing the accuracy of energy modeling results, which are incredibly complex, instead of those results being reviewed and tracked by NJCEP. It would seem to make more sense for NJEDA to follow the NJHMFA model of simply requiring projects to participate in applicable NJCEP program as a prerequisite for tax credits.

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