

New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting
July 8, 2008
Hosted by TRC - CSG/Iselin

- **Attendees:**

In Person: Mike Winka (BPU), Greg Coleman (TRC), Roger Kliemisch (TRC), Brian DeLuca (TRC), Karen Paine (TRC), Dave Holland (Honeywell), Bruce Grossman (SJG), Mona Mosser (NJ BPU), Sharon Wolf (NJ BPU), Mike Ambrosio (AEG), Elaine Bryant (PSE&G), Deane Evans (NJIT), Ann-Marie Peracchio (NJNG), Chris Granda (VEIC), Cliff Payne (CMC), , Kimberly Hoff (CSG), Maria Grazul (CSG), Mary Uschak (NJ HMFA), Julie deSeve (CSG), Linda Wetzel (AEG), David Wolk (Honeywell), Bed Adams (McGrann), Joe Gennello (Honeywell)

Via Phone; Frank Rielly (TRC), Diane Zukas (TRC), Tom Donadio (JCP&L), Fred Hauber (Eastern Energy), Kurt (Rate Council), Cameron Johnson (OCE), Gabriel Nathanson (NJ HMFA),

1. Kickoff – Mike Ambrosio

- Slide of Draft 2009 Energy Efficiency program budgets (preliminary \$ available for 2009)
- Staff presented the STRAW proposal to the board in June; next meeting for review of these \$ will be at the July 30 board meeting.
- As of today, the #'s in the STRAW proposal are still the working numbers.
- Adding to the numbers will be \$ that the Market Managers will be spending in 2009.
- 4% had been added in for OCE oversight budget.
- Contract with Grafica will be terminated. Honeywell and TRC will pick up marketing in their budget.
- The areas on the slide that have blank funding are areas that need direction from Staff.
- August 26 will be the last meeting before the September filing.
- NEEP has been engaged by the Board to develop a portfolio of programs as set out in the Master Plan.
- NEEP Portfolio planning is currently underway.

2. Contract Modifications – Mike Ambrosio

- The TRC amendments may be on this week's agenda. If not, all the amendments will be discussed at the July 30 Board Meeting.

3. TRC Presentation (slide presentation) – Greg Coleman

Discussions:

- Eliminate stand alone CHP Program – Fold CHP into Pay for Performance
- Making CHP part of comprehensive approach.
- Allow Pay for Performance projects that incorporate CHP be eligible for additional \$1 million in incentive.

Pay for Performance:

- Pay for performance - If board approves on July 11 – there will be 3-4 months start up period (kickoff Sept/Oct).
- Is Pay for Performance another standard offer program?
 - Has though been given to verifying the system 1 year after installation to see if it is delivering what was proposed.

Municipal Audit

- Treasury has to approve the contract modifications associated with this.
- Treasury needs to finalize the list of contractors who have applied to do the audits (they have completed the preliminary process and have contacted the selected both selected and not selected contractor).

Questions/comments on TRC presentation:

- Prior to today's meeting TRC gave staff a preview of their slide presentation
 - Comments from staff:
 - How does Pay for Performance differ from existing New Construction program?
 - Does it make sense to start up a new program or modify the existing one? (Need for future discussion).
- Concept of sector specific programs
 - Do whatever you can to reduce sector specific barriers (TRC believes this will translate to increased energy savings).
- Direct Install Budget
 - Program is directed towards customers with specific electric demand (kW still not decided 60-100).
 - To be eligible customer has to have specific kW usage and if a customer is eligible they can get up to \$100,000 in incentives from both gas and electric.
 - Definition of a customer has not changed.
- High Rise Mutli-Family

- TRC has reviewed and agreed to ensure that all NJ customers are eligible for one set of programs or another.
 - Honeywell will retain what is deemed as a residential customer.
 - For those entities that do not fit into residential would they fall into the commercial programs?
 - When customer does not fall under residential how can program support them? (Discussions need to take place on this).

- **Sector Programs**

- Will TRC look at K-12 schools at an individual sector?
 - TRC stated that the TEACH program is already proposed and under consideration.
 - Proposed approach is to implement the TEACH program in 2009 and make recommendations/changes to this program in 2010.
 - Current approach is to follow the process that is already in place and review/add to it for 2010.
 - TRC will look into moving from TEACH to sector specific.

- **LED Traffic Signals**

- Is current program only for retrofits?
- New Federal Standard?

4. **Honeywell Presentation (slide presentation)**

NJCEP H VAC

2008 Continued Program Components

- COOLAdvantage*
 - Split incentives for equipment & QIV – program volumes and incentive levels to be revisited based upon current market conditions
 - Launch of ancillary initiatives including CAC maintenance (tune-up); Duct sealing
 - Customer focused marketing campaign
- WARMAvantage*
 - Incentives for equipment – incentive levels to be revisited based upon current market conditions
 - Higher tiered DHW
- Both
 - Continued training, upstream incentives

2009 Enhancements

- Feasibility test to pilot QIV for heating equipment
- E&MV on QIV effectiveness
- Potential introduction of solar hot water incentive
- Consideration of additional DHW technology

- Revised program targets - restricting program eligibility to existing homes (all new homes shift to RNC)
- Research development and demonstration (RD&D) component

NJCEP EE PRODUCTS

2008 Continued Program Components

- Full-year, high volume CFL retail markdown initiative
- Expansion of successful “creative” initiatives
- Expanded promotional marketing – linked with Community Partners
- Revisit of all incentive levels for current and new products supported

2009 Enhancements

- Potential disengagement from ENERGY STAR for lighting?
 - Competing energy efficient lighting fixture specifications
 - Failure to disqualify non-complying CFLs
- Appliance Early Retirement Initiative
 - Program marketing & customer incentives
 - NJ DPW & DEP infrastructure development/support
- CFL Disposal
 - Marketing initiative with markdown retailer(s)
- Pilot Consumer electronics offer
 - ENERGY STAR computers
 - Energy efficient televisions (Ecos model)
 - Set top boxes (community-based)
- RD&D component i.e. heat pump dryers

NJCEP NEW CONSTRUCTION

2008 Continued Program Components

- Invoke tier 2 (rating of 65 or less) and 3 (microload) program levels
- Decreased incentives to builders
- Increased marketing to customers
- Builder CFL install inclusion
- Additional builder requirements, i.e. direct or power vented space heating required.

2009 Enhancements

- Work in pending ENERGY STAR code legislation
 - Modify program tiers and requirements
 - Work to foster workable rules for implementation
- Move to open market for HERS rating in harmony with code change
 - Create HERS raters/provider minimum standards and eligibility requirements
 - Develop training initiatives

- Develop new QA program
- Establish new incentive structures
- Establish reporting requirements
- Expand marketing to “HVAC only” builder-participants
- RD&D, (e.g. superinsulated home demonstration)

NJCEP HOME PERFORMANCE

2008 Continued Program Components

- Continued program volume ramp up
 - performance of in-house assessments
 - Direct-install of CFLs
- Revisit program’s incentive values to ensure maximum customer/contractor benefits
- Minimize barriers to contractor & customer participation
 - Simplify reporting process for contractors
 - Increase hands-on contractor training
 - Facilitate the process between contractors and customers

2009 Program Enhancements

- Enlarge current eligible market and technologies
 - Actively recruit participation of small multi-family developments
 - Add new eligible measures
- Future Challenges to consider
 - Develop a Central Existing Homes Program flexible enough to support integration and cooperation between programs offered by the Office of Clean Energy and NJ utilities that would like to offer additional incentives to their customers.
- RD&D component i.e. “deep savings” pilot

COMMUNITY BASED INITIATIVES:

2008 Continued Program Components

- Use CPC, CFL and Home Performance as gateway to other measures and programs
- Emphasize social marketing
- Leverage existing NJ Community Partnerships
- Cross-program approach to promoting efficiency
- Enhance training & two way reporting

2009 Program Enhancements

- Expansion of successful “creative” initiatives from Efficient Products Program
- Additional collaboration w/TRC & C/I programming
- Institute Account Manager’s for outreach and communication
- Establish and deploy “train the trainer” program
- Linkage with other statewide sustainability initiatives
- Roll out an enhanced reporting infrastructure (2-way)

5. **Next Meeting Date**

- Tuesday, August 26 @ 9:00 am

Full programs descriptions

Marketing Plans

Detailed budget