



New Jersey Board of Public Utilities

NEWS RELEASE

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Energy Efficiency Pilot Program Launched for Large Energy Users

TRENTON, N.J. – In continuing efforts to create jobs through private investment, lower energy costs for all ratepayers and to help New Jersey businesses improve their competitiveness, the Christie Administration announced the creation of a new \$20 million pilot program designed to promote self-investment in energy efficiency and combined heat and power distributive generation projects at the state's largest commercial and industrial facilities.

The New Jersey Board of Public Utilities' Clean Energy Program (NJCEP) will use pilot program funds to provide incentives of up to \$1 million to offset capital requirements for the installation of energy conservation measures in existing buildings.

“The Draft 2011 State Energy Master Plan identified energy efficiency as priority in our efforts to reduce energy costs for all ratepayers, and improve the reliability of the regional grid,” said Lee A. Solomon, President of the N.J. Board of Public Utilities (BPU). “This pilot program encourages the level of investment required to achieve significant energy savings for large energy users, while advancing the state's goal of reducing energy consumption. Additionally, our Large Energy User Pilot Program will create and support high paying jobs, just as our energy efficiency programs for residential users and local governments have.”

To be eligible for pilot program incentives, large energy users must demonstrate that their 2010 contributions to the Societal Benefit Charge (SBC), which is collected through the state's utility bills, totaled at least \$300,000. Only facilities with annual billed peak demand of 400 kW or greater, such as most hospitals, universities, manufacturing facilities and large office buildings, within their entire portfolio of buildings will be considered.

In addition to the Large Energy Users Pilot Program incentives, the N.J. Economic Development Authority's Energy Efficiency Revolving Loan Fund will provide low interest financing for those participating in the program. The fund provides loans of between \$250,000 and \$2.5 million with interest rates of 2-4% based on the term of the loan.

Pilot program incentives will be based on \$0.33 per kWh of electricity and \$3.75 per Therm of natural gas saved annually from the energy efficiency project. The maximum available incentives equal the lesser of \$1 million, 75% of the project cost or 90% of their 2010 Clean Energy Program contribution through the SBC. Prospective participants must submit a pre-qualification application not later than September 26. Following a review period, 25 applicants will be approved to submit a draft energy efficiency plan to reserve funding for their projects. Complete details are available at NJCleanEnergy.com, including a pre-qualification application and information about upcoming webinar sessions where interested building managers can review requirements with program representatives.

About the New Jersey Board of Public Utilities (NJBPU)

The NJBPU is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBPU, visit our web site at www.nj.gov/bpu.

About the New Jersey Clean Energy Program (NJCEP):

NJCEP, established on January 22, 2003 in accordance with the Electric Discount and Energy Competition Act (EDECA), provides financial and other incentives to the State's residential customers, businesses and schools that install high-efficiency or renewable energy technologies, thereby reducing energy usage, lowering customers' energy bills and reducing environmental impacts. The program is authorized and overseen by the New Jersey Board of Public Utilities (NJBPU), and its website is www.NJCleanEnergy.com.