



New Jersey Board of Public Utilities

NEWS RELEASE

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Christie Administration Grants Nearly \$1 Million to Bayonne Medical Care Center for Energy Reliability Project

Acute-Care Hospital to Build \$3.5 million Combined Heat & Power Project

Trenton, N.J. - The New Jersey Board of Public Utilities (BPU) approved \$950,000 in rebates for Bayonne Medical Center's energy project that will enable the acute-care hospital to generate much of the hot water, cooling and electricity the facility uses, which will save energy and energy related costs. Most importantly, the hospital will be capable of operating critical elements self-sufficiently and independently of the grid during major outages.

The Christie Administration continues to encourage on-site distributive generation technologies, such as Combined Heat & Power (CHP) and Fuel Cells (FC), as a strategy to reduce demand upon the electric power grid, lower energy bills and to provide a reliable source of energy even during major power outages. Most public facilities that provide heating and cooling around the clock are good candidates for CHP/FC technologies. As an added benefit, most CHP/FC equipped facilities can be used to provide emergency services to the public during and after a major storm or other emergency.

"The Bayonne Medical Center energy project stands as a perfect example to other critical facilities such as hospitals, college campus, municipal/police facilities, or water treatment plants throughout the state," said Bob Hanna, President of the New Jersey Board of Public Utilities. "One of the lessons learned during Superstorm Sandy is that CHP is a promising technology in keeping critical facilities operational and safe when there is a major outage."

New Jersey currently has approximately 3,000 MW of CHP developed at more than 200 facilities and 1.5 MW of FC capacity located at eight facilities across the state. Governor Christie's Energy Master Plan recommends that 1,500 MW of new CHP capacity be developed by 2020 or approximately 200 MW each year. New Jersey's Clean Energy Program™ (CEP) provides generous financial incentives for CHP/FC installations, with separate schedules for larger and smaller technologies.

"We are happy to hear that the Board of Public Utilities has approved the grant to Bayonne Medical Center's energy project," said Michael Karp, Director of Business Development for GH Energy, which is the project developer. "Bayonne Medical Center, which was one of the last critical facilities to regain their power after Superstorm Sandy, now will be able to provide the type of excellent care their patients are accustomed to receiving when the community needs it the most."

Bayonne Medical Center, a 278-bed, fully accredited, acute-care hospital located in Hudson County, will soon begin construction of its \$3,457,450 CHP project. When completed, this 1 MW system will

produce an estimated 7,600,000 kWh of electricity annually. In addition, nearly 40,000 MMBtu of waste heat will be recovered, offsetting the use of three existing dual-fuel boilers currently supplying the facility's hot water load. Expected energy cost savings for the project total \$490,313 in the first year of operation alone.

The CHP rebate total of \$950,000 will be paid out to the medical center at three critical milestones. An initial \$190,000 will be paid when the equipment is purchased, followed by a second payment of \$570,000 when the installation is complete and the remaining \$190,000 one year after completion, upon confirmation that minimum efficiency thresholds are achieved.

For eligibility details and a complete description of the CHP/FC initiative, visit NJCleanEnergy.com/CHP.