

**New Jersey's Clean Energy Program  
Energy Efficiency Committee Meeting  
Thursday, February 14, 2013  
Hosted by Honeywell – BPU, Trenton**

**Introductions**

**Program Coordinator and Regulatory Updates**

Presenters: Betsy Ackerman (BPU), Mike Winka (BPU), Mike Ambrosio (AEG) and Mona Mosser BPU)

1. CRA Proceeding/Revised Straw/Filings/Board Orders/Regulatory Items/Program Administrator RFP (Mona Mosser) –
  - a. The schedule is being revised to incorporate some additional data from ENEROC. The tentative schedule is that a public hearing would be held April 23, 2013 with comments due by April 26<sup>th</sup>, with a final proposal on the May 29th Board agenda. The straw proposal will be issued in March.
  - b. The Program Administrator RFP is on the Board agenda for February 20th.
  - c. Also on the February 20th agenda area few changes to the Clean Energy Program. For example, the Local Government Energy Audit (LGEA) Program is proposed to be revised again. The program was limited to only schools participating in ESIP and they are now proposing to open it back up to non -profit and local governments. Also in that same order, the Clean Power Choice (CPC) Programs proposed to be finalized. Staff had proposed the elimination of the program and the Board approved it in terms of NJCEP funding to support that program. There have been further discussions with utilities after that and the utilities have agreed to continue the program as long as the third party suppliers continue to pick up the cost. The other change in that Order is just moving some money within SJG's Comfort Partners budget from the Direct Install to the training line.
2. Storm Response Program launched around February 4<sup>th</sup>,
3. Large Scale Combined Heat and Power (CHP) was launched around January 17<sup>th</sup>.
4. Anne Marie Perracchio (NJNG) – Asked about the Program Administrator RFP and what the actions are after the Agenda meeting. Betsy responded that after the Agenda it gets discussed in detail in Executive sessions and then her understanding is that the Board will take vote in public session and then it will be given to Treasury to publish.

**Commercial/Industrial Programs**

Presenters: Brian DeLuca (TRC) and Carl Teter (TRC).

1. 2012 -2013 Programs and Results to Date –
  - a. Direct Install – Extremely busy month.
  - b. Pay for Performance Existing Buildings – Mike Ambrosio asked about the 56 additional ERP's at various stages and if they were filed and under review. TRC answered yes. Mike added that it was a pretty big jump since less than 20 or so have been approved.
  - c. Pay for Performance New Construction – Mike Ambrosio asked if there is a trend in the types of customers, noting there was expressed interest from a lot of universities. Per Carl, they will research and respond. Mike added the universities were the ones mainly pushing to keep the programs open so he was curious about their participation.
  - d. Combined Heat and Power Fuel Cells – Mike Ambrosio asked if there were a batch of projects coming in. Carl responded that yes there are a couple million dollars in projects out there but not yet submitted.
2. Upcoming 2013 Changes– Reminder to everyone T12 replacement incentives are coming to an end on March 1<sup>st</sup> and applications have to be in by February 28th.
3. Sandy Relief Plan Update (Brian DeLuca) –
  - a. High Level Enhancements (including discontinuations) listed in presentation.

- b. 200 letters went out to Sandy disaster zip codes who have previously submitted applications after Oct 29<sup>th</sup> to advise them of new enhancements.
  - c. 63 applications received for Hurricane Sandy Relief. They are expecting to see that number increasing as they are receiving a lot of inquiries/interest and it will take customers little time for them to understand the incentives and get their paperwork together. Alice Napoleon (Representing Rate Counsel) asked if they have seen many food service applications and if they are planning on adding those to the generic SmartStart lineup. Brian said there have been a lot of inquiries, but only a few applications. There is a plan to try and push these measures forward as a standard set of offerings, but there will need to be an analysis done.
- 4. 2012 YTD Results – Pay for Performance is speeding up.
  - 5. Mike Ambrosio requested that going forward the presentations contain the 18 month budget.

## **Residential Programs**

Presenters: Dave Wolk (Honeywell) and Janja Lupse (CSG)

- 1. 2012 Programs and Results to Date – See presentation.
  - a. Sandy Relief – A few different people commented about the reactions to the offerings and how much the public is pleased with the offerings. Additional comments made from NJNG staff about the high attendance at events how many people do not know about the current programs to begin with and that the outreach they are doing is reaching a lot of people. They also commented on the statuses of recovery and how some are still a long way from building/repairing. NJNG also commented on new construction and the amount of modular builders who have shown up and the amount of outreach they are doing and there seems to be a large amount of customers seemingly interested in them. Betsy added that with regard to modulars what a lot of homeowners do not know is that there could be additional costs to the modular construction if power lines need to be connected/disconnected in order to get the boom of crane and/or to get the modulars themselves onto the site. Additional comments were made about there being out of state contractors doing work that may or may not know about the rebates available to help message that to their customers.
  - b. Large Appliance Recycling – The winter is typically a little slower usually. We do have some marketing programs in effect to drive these numbers. We have circuit riders out in the field educating retailers when they sell refrigerators to tell customers about the program.
  - c. Set Top Box – Seeing a plateau. They were held off when the budget crunch hit. They are set to resume, but it will be discussed with Staff as there is a Bill in the Assembly that might have impact on the program. Mike Winka said not to hold the program because of that and to go ahead since it will be a while for any possible Bill to go through. He said the industry said the FCC prohibited the energy efficiency code and he thought there was a deal to require it and that Bill may go forward, but that should not be the reason to not go forward with the program. Dave Wolk added said they already put the wheels in motion to reach out to eCOS to start it, but they have it on the agenda for tomorrow's meeting. Mike Ambrosio asked how the mechanics work for this program saying he called the cable company and asked how to get one of these and they did not know what he was talking about. Dave Wolk responded that it is at a higher level and on a per unit basis whether it meets the requirements so the people you may speak to when you call the cable company probably would not be aware of it. It is more about the manufacturer distribution of new units to an area/cable company. Mike Ambrosio asked if there are activities trying to get the cable companies or more involved in this. Dave said there are, but so far they have not been able to and they will continue to pursue that. Mike Ambrosio asked if it is reluctance on the cable company's part. Dave and Mona said yes. Mona added they have had meetings with the Cable office at the BPU and have had meetings with the cable companies and some of them seemed interested, but then changed their minds. Overall, it has been a struggle. That is why there needs to be discussions on standards and how to get there. This is an area where there is opportunity for savings. The comment was made that the cable companies do not care because they do not have to pay the electric. Mike Winka added that in the ENERO study this was an area for a big chunk of savings and we really should try and go after it. Mike Ambrosio added that he just read an article which says a lot of the boxes use more energy than a refrigerator.
  - d. Residential New Construction Enrollments – The surge in enrollments is continuing. On a state wide level there is an increase in Certificates of Occupancy and a big surge in building permits. Mike Ambrosio commented that the program is still only at a percentage of what it was a few years ago.

- e. Residential New Construction Completions – By contrast, completions are slightly below target compared to enrollments. Ben Adams (Magrann) added though that when you finish a multifamily project then you see jumps in numbers because until the whole building is done you do not report all those as numbers
- f. Home Performance –
  - 1) Tier 2 Enrollments – Mike Ambrosio asked if the numbers in Tier 2 are an argument for a program change. Dave responded that he feels the program is successful, but that they just set too high goal for this Tier. Janja agreed, saying there is interest in the program; the goal is just too high. Overall, once people are already doing a project they are taking advantage and going for the higher Tier. The Program thinks they should keep Tier 2, but lower goal. It really works for the multifamily as it can be challenging for them to hit Tier 3. It really is helpful to have that available.
  - 2) Mike Winka – Are contractors making the sale and people say they can get to Tier 2, but then I go into 3 because they get a better financing opportunity. Is this something to look at? That is the financing in Tier 2? Janja said it is 0 percent financing.....for 5k so that's really good. Dave Wolk said it may be more about homeowner and contractor behavior. For homeowners once you commit to the fact you are doing a project and going through what you go through during that project you might as well do it all at once.
  - 3) There was a question about the possibility of over subscription to this program? Dave said yes, maybe long term in June. They do projections and if they are running low they look at if there are possibilities for moving money from somewhere else where money is not getting used. He noted that they also were able to get additional funds for the non-IOU customers. Betsy concurred with looking at budgets when time comes. She added that unfortunately, the SEP funds however, are limited by what the Federal government gives. As she understands it hopefully in March they will know what is being allocated for the SEP fiscal year 2014. She said if it comes sooner than that, she would be willing to approach them to see if we could access it sooner noting that the Federal government is being somewhat lenient to a degree with NJ because we are receiving federal emergency aid.
  - 4) Good enrollments for January for HP. Almost doubled for Jan 2012. Typically Jan. and Feb. are quieter months. High number of commitments at \$ 9.6M and a strong pipeline.
  - 5) Mona asked the status of NJ Credit Union deal. Janja answered that right now they have been a little delayed in the participation agreement. Honeywell is going to really focus on the agreement. The NJ Credit Union League asked for that to be between Honeywell and them. The main concern is the payment and who is responsible to pay them. Mike Ambrosio asked about the payments recalling what Joe Gennello (Honeywell) made a distinction about a contractor participation agreement and they were looking for a contract and Honeywell said they wanted to do a participation agreement with EFS and others. Does that mean the credit unions are coming around and they will accept a participation agreement?? Janja said let us see what the participation agreement will list. The contract that was written up had a lot of details. Dave added that a high level summary of it is that lawyers got involved. Janja says from another perspective they are ready to go they have developed a website, they have identified local credit unions, they will in the pilot and in the pilot they also identified 5 high producing contractors.

## **Utility Updates**

- Anne Marie Perracchio (NJNG) – On January 23 the Board approved the continuation of the current program to offer the \$900 rebate and also to continue to support Home Performance on-bill payment.
- Sam Valora (SJG) – They have an extension to June 30 2013. They had meeting with Frank Felder at Rutgers on a cost benefit analysis.
- Cheryl England (Elizabethtown) – They have unofficially been asked to extend the programs through July. They are still in negotiations in the meantime, on the filing they have to propose and in the process of answering discovery questions. They are looking forward to finding out who the new NJCEP Program Administrator will be so they start getting things aligned.

## **Other Business, Next Meeting**

1. Anne Marie asked if they wanted NJNG to do presentation on the DOE Energy Score even though they just started at end of the summer. Right now only about 2500 have reported scores across the country and NJNG has about 33% of that. Once a month they get a spreadsheet of what you score is and it has a lot of very

useful information. It has been a learning process for both NJNJG and DOE and the DOE is willing to hear feedback from their partners.

2. Alice Napoleon (Representing Rate Counsel) – Asked if there has been any progress on the SBC credit/program proposal for the rule making side of it? She understands there is an interim program, but she thought the next step is that the OCE comes up with a straw? Mike Winka responded saying that on the Agenda is a rule making schedule, no order. It is a presentation to the Board about the schedule for rule making and they are continuing to put together the application process. It is on the schedule in the upcoming BPU meeting. Timeline – Grand total of about 9 months or so for the entire process.
3. Next meeting - Wednesday, March 13, 2013

## **Attendees**

<b>Name</b>	<b>Company</b>	<b>In Person</b>	<b>By Phone</b>
Ackerman, Elizabeth	BPU	x	
Adams, Ben	MaGrann Assoc.	x	
Ambrosio, Mike	AEG	x	
Attardi, Davide	Facility Solutions Group		x
Bowen, Mark	Franklin Energy	x	
Boyd, Mary Jo	CSG	x	
Carpenter, Joseph	NJ DEP		x
Chaplin, Dawn	Honeywell	x	
Chiu, Susanna	PSE&G		x
DeLuca, Brian	TRC	x	
Desimpel, Tom	CMC Energy	x	
Deubie, AJ	New Millennium Lighting	x	
Dolan, Brian	Intellidyne	x	
Donohue, John	On behalf of Fuel Merchants Assoc	x	
Ellman, Susan	NJNG	x	
England, Cheryl	Elizabethtown		x
Fennell, Mark	UGIPS	x	
Firari, Fairlie	TRC		x
Flynn, Don	Nexant, Inc.		x
Foster, Rebecca	VEIC	x	
Graham, Marianne	ICF working in support of EPA ENERGY STAR ®		x
Haider, Renne	Sustainable Jersey		x
Hoff, Kim	CSG	x	
Holland, Dave	Honeywell	x	
Ingelido, Richard	ConEdison Solutions		x
Jones, Sherri	BPU	x	
Kliemish, Roger	TRC	x	
Klockner, David	Eneractive Solutions		x
Liaukus, Christine	NJIT		x
Lupse, Janja	CSG	x	
Markwood, Scott	O&R		x
Miller, Ashley	TRC		x
Mosser, Mona	BPU	x	
Napoleon, Alice	Synapse Energy Economics Representing Rate Counsel		x
O'Brien, Nancy	EFS		x

O'Connor, Daniel	Trane Turnkey/Energy Services		x
O'Donnell, Tony	Sustainable Jersey		x
Paine, Karen	TRC		x
Palmer, Bill	Kamson Corp		x
Parlapiano, William J. III	PECI		x
Perracchio, Anne-Marie	NJNG	x	
Rahikainen, Anne	Renewable Frontiers Consulting LLC		x
Ross, Robb	Easy Energy USA		x
Seelaus, Andrew	EMC2 Development Co. Inc		x
Sherako, Jill	Eastern Heating and Cooling Council	x	
Stewart, Patrick	ACCA NJ	x	
Teng, Elizabeth	BPU		x
Teter, Karl	TRC	x	
Tobian, Carol	National Resource Management, Inc.		x
Valora, Sam	SJG	x	
Vieira, Mario	New Millennium Lighting	x	
Wetzel, Linda	AEG		x
Winka, Mike	BPU	x	
Wolk, Dave	Honeywell	x	
Wong, Douglas	BC Express Inc		x
Woods, Emily	Honeywell		x
Zoppa, Bob	CSG		x