



Local Government Energy Audit: Energy Audit Report



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District Offices

538 Newark Pompton Turnpike
Pompton Plains, NJ 07444
Pequannock Board of Education
October 31, 2018

Final Report by:

TRC Energy Services

Disclaimer

The intent of this energy analysis report is to identify energy savings opportunities and recommend upgrades to the building's energy using equipment and systems. Approximate savings are included in this report to help make decisions about reducing energy use at the building. This report, however, is not intended to serve as a detailed engineering design document. Further design and analysis may be necessary in order to implement some of the measures recommended in this report.

The energy conservation measures and estimates of energy savings have been reviewed for technical accuracy. However, estimates of final energy savings are not guaranteed, because final savings may depend on behavioral factors and other uncontrollable variables. TRC Energy Services (TRC) and New Jersey Board of Public Utilities (NJBPU) shall in no event be liable should the actual energy savings vary.

Estimated installation costs are based on TRC's experience at similar facilities, pricing from local contractors and vendors, and/or cost estimates from *RS Means*. The owner of the building is encouraged to independently confirm these cost estimates and to obtain multiple estimates when considering measure installations. Since actual installed costs can vary widely for certain measures and conditions, TRC and NJBPU do not guarantee installed cost estimates and shall in no event be held liable should actual installed costs vary from estimates.

New Jersey's Clean Energy Program (NJCEP) incentive values provided in this report are estimates based on program information available at the time of the report. Incentive levels are not guaranteed. The NJBPU reserves the right to extend, modify, or terminate programs without prior notice. The owner of the building should review available program incentives and eligibility requirements prior to selecting and installing any energy conservation measures.

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I EXECUTIVE SUMMARY

The New Jersey Board of Public Utilities (NJBPU) has sponsored this Local Government Energy Audit (LGEA) Report for the District Offices.

The goal of an LGEA report is to provide you with information on how your building uses energy, identify energy conservation measures (ECMs) that can reduce your energy use, and provide information and assistance to help facilities implement ECMs. The LGEA report also contains valuable information on financial incentives from New Jersey's Clean Energy Program (NJCEP) for implementing ECMs.

This study was conducted by TRC Energy Services (TRC), as part of a comprehensive effort to assist New Jersey public schools in controlling energy costs and protecting our environment by offering a wide range of energy management options and advice.

I.1 Building Summary

The District Offices for Pequannock Township public schools is a 2,700 square foot space comprised of offices, a kitchenette and dining area, and a conference room. The space is located on the second floor of a two-story building rented from the United States Postal Service. The building is owned by the school district, leased to the postal service, and the District rents back the second floor of the building from the Postal Service.

Lighting in the District Offices consists of aging and inefficient T8 and T12 fluorescent lighting. Exterior lighting is present, but is not included on the meter for the office space. Heating is supplied by a hot water boiler located in the boiler room of the building. Cooling is supplied by a split-system air conditioner. Domestic hot water is supplied by a small electric water heater located in the janitor closet in the office. A thorough description of the building and our observations are located in Section 2.

I.2 Your Cost Reduction Opportunities

Energy Conservation Measures

TRC evaluated four measures, and recommends three, which together represent an opportunity for the District Offices to reduce annual energy costs by \$818 and annual greenhouse gas emissions by 6,137 lbs CO₂e. We estimate that if all measures were implemented as recommended, the project would pay for itself in 6.2 years. The breakdown of existing and potential utility costs after project implementation are illustrated in Figure 1 and Figure 2, respectively. Together these measures represent an opportunity to reduce the office's annual energy use by 12%.

Figure 1 – Previous 12 Month Utility Costs

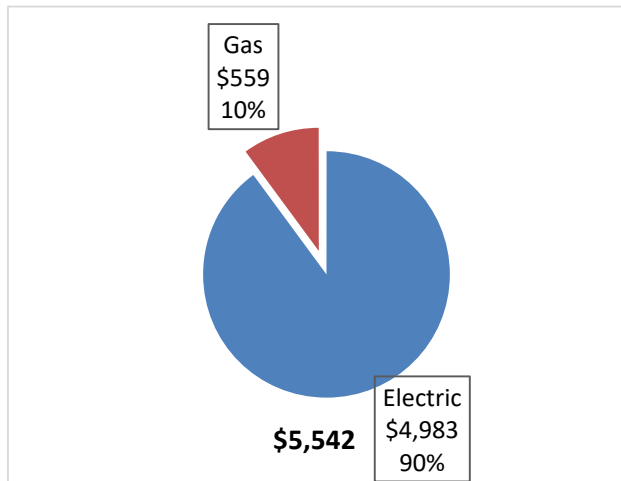
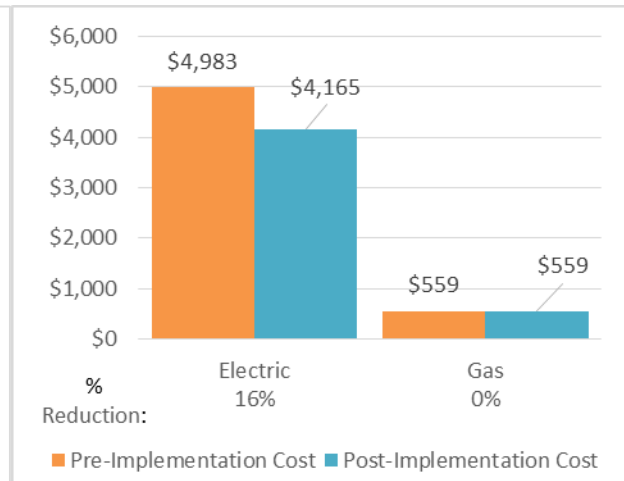


Figure 2 – Potential Post-Implementation Costs



A detailed description of the office’s existing energy use can be found in Section 3.

Estimates of the total cost, energy savings, and financial incentives for the proposed energy efficient upgrades are summarized below in Figure 3. . A brief description of each category can be found below and a description of savings opportunities can be found in Section 4.

Figure 3 – Summary of Energy Reduction Opportunities

Energy Conservation Measure	Recommend?	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)*	Estimated Net Cost (\$)	Simple Payback Period (yrs)**	CO ₂ e Emissions Reduction (lbs)
Lighting Upgrades		4,697	1.5	0.0	\$630.12	\$3,322.00	\$660.00	\$2,662.00	4.2	4,730
ECM 1	Retrofit Fluorescent Fixtures with LED Lamps and Drivers	287	0.1	0.0	\$38.53	\$234.00	\$20.00	\$214.00	5.6	289
ECM 2	Retrofit Fixtures with LED Lamps	4,410	1.4	0.0	\$591.59	\$3,088.00	\$640.00	\$2,448.00	4.1	4,441
Lighting Control Measures		1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407
ECM 3	Install Occupancy Sensor Lighting Controls	1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407
Gas Heating (HVAC/Process) Replacement		0	0.0	3.7	\$48.04	\$3,914.00	\$1,000.00	\$2,914.00	60.7	437
	Install High Efficiency Hot Water Boilers	0	0.0	3.7	\$48.04	\$3,914.00	\$1,000.00	\$2,914.00	60.7	437
TOTAL FOR ALL MEASURES		6,094	2.0	3.7	\$865.62	\$9,936.00	\$1,940.00	\$7,996.00	9.2	6,574
TOTAL FOR RECOMMENDED MEASURES		6,094	2.0	0.0	\$817.58	\$6,022.00	\$940.00	\$5,082.00	6.2	6,137

* - All incentives presented in this table are based on NJ Smart Start Building equipment incentives and assume proposed equipment meets minimum performance criteria for that program.

** - Simple Payback Period is based on net measure costs (i.e. after incentives).

Lighting Upgrades generally involve the replacement of existing lighting components such as lamps and ballasts (or the entire fixture) with higher efficiency lighting components. These measures save energy by reducing the power used by the lighting components due to improved electrical efficiency.

Lighting Controls measures generally involve the installation of automated controls to turn off lights or reduce light output when not needed. Automated control reduces reliance on occupant behavior for adjusting lights. These measures save energy by reducing the amount of time lights are on.

Gas Heating (HVAC/Process) measures generally involve replacing older inefficient hydronic heating systems with modern energy efficient systems. Gas heating systems can provide equivalent heating compared to older systems at a reduced energy cost. These measures save energy by reducing the fuel demands for heating, due to improved combustion and heat transfer efficiency.

Energy Efficient Practices

TRC also identified ten low cost (or no cost) energy efficient practices. A building's energy performance can be significantly improved by employing certain behavioral or operational adjustments and by performing better routine maintenance on building systems. These practices can extend equipment lifetime, improve occupant comfort, provide better health and safety, as well as reduce annual energy and O&M costs. Potential opportunities identified at the Buildings include:

- Reduce Air Leakage
- Perform Proper Lighting Maintenance
- Develop a Lighting Maintenance Schedule
- Ensure Lighting Controls Are Operating Properly
- Use Fans to Reduce Cooling Load
- Clean Evaporator/Condenser Coils on AC Systems
- Perform Proper Boiler Maintenance
- Perform Proper Water Heater Maintenance
- Install Plug Load Controls
- Water Conservation

For details on these energy efficient practices, please refer to Section 5.

On-Site Generation Measures

TRC evaluated the potential for installing on-site generation for the building. Based on the configuration of the site and its loads there is a low potential for installing any PV and combined heat and power self-generation measures.

For details on our evaluation and on-site generation potential, please refer to Section 6.

1.3 Implementation Planning

To realize the energy savings from the ECMs listed in this report, a project implementation plan must be developed. Available capital must be considered and decisions need to be made whether it is best to pursue individual ECMs separately, groups of ECMs, or a comprehensive approach where all ECMs are implemented together, possibly in conjunction with other building upgrades or improvements.

Rebates, incentives, and financing are available from NJCEP, as well as other sources, to help reduce the costs associated with the implementation of energy efficiency projects. Prior to implementing any measure, please review the relevant incentive program guidelines before proceeding. This is important because in most cases you will need to submit applications for the incentives prior to purchasing materials or commencing with installation.

The ECMs outlined in this report may qualify under the following program(s):

- SmartStart
- Direct Install
- Energy Savings Improvement Program (ESIP)

For facilities wanting to pursue only selected individual measures (or planning to phase implementation of selected measures over multiple years), incentives are available through the SmartStart program. To participate in this program you may utilize internal resources, or an outside firm or contractor, to do the final design of the ECM(s) and do the installation. Program pre-approval is required for some SmartStart incentives, so only after receiving pre-approval should you proceed with ECM installation. The incentive estimates listed above in Figure 3 are based on the SmartStart program. More details on this program and others are available in Section 8.

This building may also qualify for the Direct Install program which can provide turnkey installation of multiple measures, through an authorized network of participating contractors. This program can provide substantially higher incentives than SmartStart, up to 70% of the cost of selected measures, although measure eligibility will have to be assessed and be verified by the designated Direct Install contractor and, in most cases, they will perform the installation work.

For larger facilities with limited capital availability to implement ECMs, project financing may be available through the Energy Savings Improvement Program (ESIP). Supported directly by the NJBPU, ESIP provides government agencies with project development, design, and implementation support services, as well as, attractive financing for implementing ECMs. An LGEA report (or other approved energy audit) is required for participation in ESIP. Please refer to Section 8.3 for additional information on the ESIP Program.

The Demand Response Energy Aggregator is a (non-NJCEP) program designed to reduce electric loads at commercial facilities, when wholesale electricity prices are high or when the reliability of the electric grid is threatened due to peak power demand. Demand Response (DR) service providers (a.k.a. Curtailment Service Providers) are registered with PJM, the independent system operator (ISO) for mid-Atlantic state region that is charged with maintaining electric grid reliability. By enabling grid operators to call upon commercial facilities to reduce their electric usage during times of peak demand, the grid is made more reliable and overall transmission costs are reduced for all ratepayers. Curtailment Service Providers provide regular payments to medium and large consumers of electric power for their participation in DR programs. Program participation is voluntary and facilities receive payments whether or not they are called upon to curtail their load during times of peak demand. Refer to Section 7 for additional information on this program.

Additional information on relevant incentive programs is located in Section 8. You may also check the following website for more details: www.njcleanenergy.com/ci.

2 BUILDING INFORMATION AND EXISTING CONDITIONS

2.1 Project Contacts

Figure 4 – Project Contacts

Name	Role	E-Mail	Phone #
Customer			
Kateryna Bechtel	Business Administrator	kathy.becht@pequannock.org	973-616-6030
Designated Representative			
Peter Riffel	Supervisor of Buildings & Grounds	peter.riffel@pequannock.org	973-479-6860
TRC Energy Services			
Alexander Klieverik	Auditor	aklieverik@trcsolutions.com	(732) 855-0033

2.2 General Site Information

On January 19, 2018, TRC performed an energy audit at the District Offices located in Pompton Plains, New Jersey. TRC’s team met with Peter Riffel, Supervisor of Buildings and Grounds to review the building operations and help focus our investigation on specific energy-using systems.

The District Offices for Pequannock Township public schools is a 2,700 square foot space comprised of offices, a kitchenette and dining area, and a conference room. The space is located on the second floor of a two-story building rented from the United States Postal Service. The building is owned by the school district, leased to the Postal Service, and the District rents back the second floor of the building from the Postal Service.

The building was constructed in 1996. Over the last five years the district office has replaced all of its existing T12 fluorescent fixtures with T8 fluorescent fixtures.

2.3 Building Occupancy

The office is open throughout the year, Monday through Friday, and closed on weekends. The typical schedule is presented in the table below. During a typical day, the office is occupied by 10 staff.

Figure 5 - Building Schedule

Building Name	Weekday/Weekend	Operating Schedule
District Offices	Weekday	8:00 AM to 4:00 PM
District Offices	Weekend	None

2.4 Building Envelope

The building is constructed of concrete block and structural steel with a brick facade. The building has a pitched roof that is in good condition. The building has double-pane windows which are in good condition and show little sign of excessive infiltration. The exterior doors are constructed of aluminum and in good condition except that the door seals have worn out which increases the level of outside air infiltration.



2.5 On-Site Generation

The buildings does not have any on-site electric generation capacity.

2.6 Energy-Using Systems

Please see Appendix A: Equipment Inventory & Recommendations for an inventory of the building's equipment.

Lighting System

Lighting in the district office is provided mostly by linear fluorescent T8 lamps with electronic ballasts. Most of the fixtures are 4-lamp, 4-foot long troffers with diffusers.



Lighting control in the office is provided by wall switches.

The building's exterior lighting is not included on the meter, and is maintained by the Post Office.

Hot Water Heating System

The hot water system consists of one Weil McLain 1,080 kBtu/hr output, forced draft boiler. The boiler has a nominal combustion efficiency of 83%. The boiler is configured in a constant flow primary distribution with one fractional horsepower hot water pump. Hot water is supplied at a constant 170°F to an air handler located in the ceiling of the office space.



The boiler is in good condition and well maintained.

Direct Expansion Air Conditioning System (DX)

A 10 ton Goodman cooling only split system with 100% outside air is used to condition the office space. The fan and evaporator are located in the air handler located in the ceiling of the conference room. The compressor and condensing unit are located on the ground adjacent to the boiler room. The unit provides constant air volume with a single 1 hp supply fan. The unit utilizes a scroll compressor and a direct-expansion (DX) coil.

The unit is manually controlled by a thermostat located in zone. The unit operates on demand to maintain a space temperature setpoint around 75°F (adjustable by staff).



Domestic Hot Water System

The domestic hot water heating system for the office consists of a 10 gallon electric water heater with a 4500-Watt heating element located in the janitor closet. One fractional horsepower recirculation pump distributes 120°F water to the office restrooms, kitchen, and slop sink in the janitor closet. The recirculation pump operates continuously.

Plug Load

There are 11 computer work stations throughout the office, and there is no centralized PC power management software installed.

Other equipment and appliances contributing to the plug load of the office includes desk printers, photocopiers, coffee makers, a paper shredder, a smartboard, a refrigerator, a microwave, an LCD television, and a water cooler/heater

2.7 Water-Using Systems

There are two restrooms at this building. Both restrooms have faucets that are rated for 2.2 gallons per minute (gpm), toilets that are rated at 2.5 gallons per flush (gpf), and urinals rated at 2 gpf.



3 SITE ENERGY USE AND COSTS

Utility data for electricity and natural gas was analyzed to identify opportunities for savings. In addition, data for electricity and natural gas was evaluated to determine the annual energy performance metrics for the building in energy cost per square foot and energy usage per square foot. These metrics are an estimate of the relative energy efficiency of this office. There are a number of factors that could cause the energy use of this building to vary from the “typical” energy usage profile for facilities with similar characteristics. Local weather conditions, building age and insulation levels, equipment efficiency, daily occupancy hours, changes in occupancy throughout the year, equipment operating hours, and energy efficient behavior of occupants all contribute to benchmarking scores. This particular site has a dedicated electric and gas meter which is separate from the rest of the building. Please refer to the Benchmarking section within Section 3.4 for additional information.

3.1 Total Cost of Energy

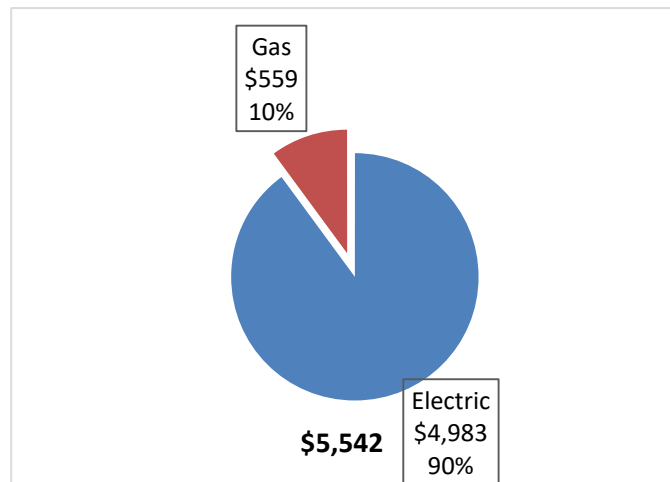
The following energy consumption and cost data is based on the last 12-month period of utility billing data that was provided for each utility. A profile of the annual energy consumption and energy cost of the building was developed from this information.

Figure 6 - Utility Summary

Utility Summary for District Offices		
Fuel	Usage	Cost
Electricity	37,141 kWh	\$4,983
Natural Gas	434 Therms	\$559
Total		\$5,542

The current annual energy cost for this building is \$5,542 as shown in the chart below.

Figure 7 - Energy Cost Breakdown



3.2 Electricity Usage

Electricity is provided by JCP&L. The average electric cost over the past 12 months was \$0.134/kWh, which is the blended rate that includes energy supply, distribution, and other charges. This rate is used throughout the analyses in this report to assess energy costs and savings. The monthly electricity consumption and peak demand are shown in the chart below.

Figure 8 - Electric Usage & Demand

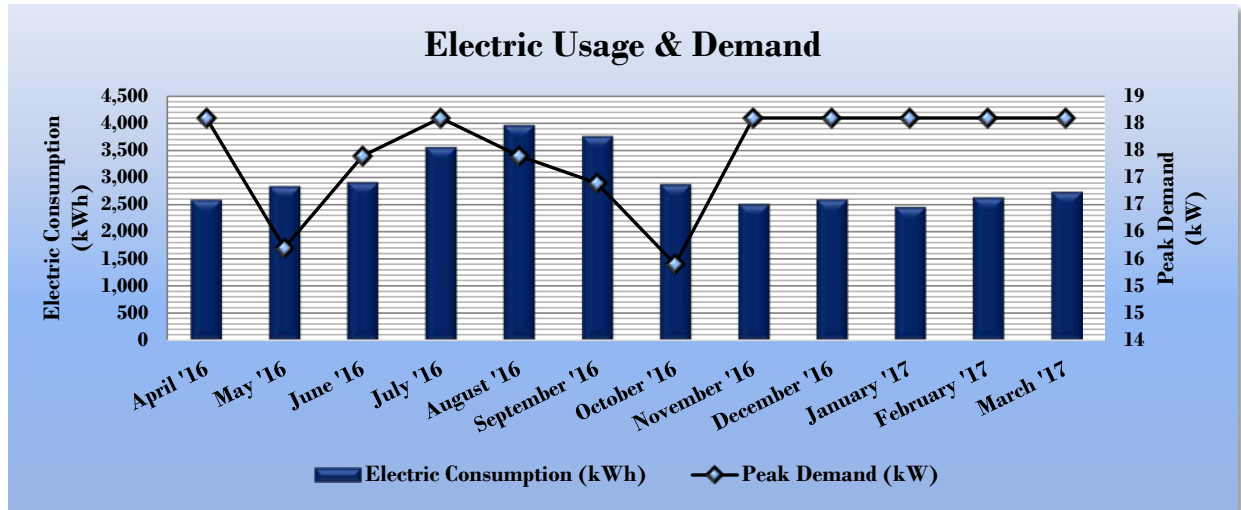


Figure 9 - Electric Usage & Demand

Electric Billing Data for District Offices					
Period Ending	Days in Period	Electric Usage (kWh)	Demand (kW)	Demand Cost	Total Electric Cost
5/6/16	24	2,598	18	\$22	\$333
6/8/16	32	2,846	16	\$34	\$374
7/7/16	28	2,920	17	\$44	\$402
8/4/16	27	3,563	18	\$47	\$471
9/6/16	32	3,970	17	\$44	\$511
10/5/16	28	3,770	17	\$39	\$488
11/4/16	29	2,880	15	\$30	\$386
12/7/16	32	2,519	18	\$22	\$341
1/9/17	32	2,601	18	\$26	\$353
2/6/17	27	2,465	18	\$26	\$351
3/8/17	29	2,640	18	\$26	\$372
4/7/17	29	2,741	18	\$26	\$382
Totals	349	35,513	18.1	\$387	\$4,764
Annual	365	37,141	18.1	\$405	\$4,983

3.3 Natural Gas Usage

Natural gas is provided by PSE&G. The average gas cost for the past 12 months is \$1.288/therm, which is the blended rate used throughout the analyses in this report. The monthly gas consumption is shown in the chart below.

Figure 10 - Natural Gas Usage

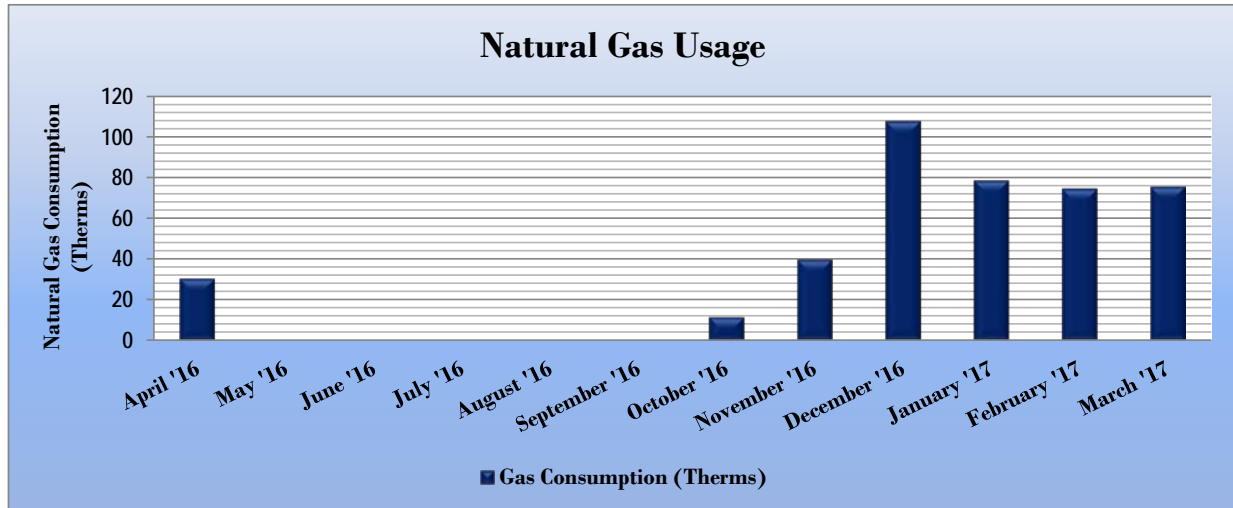


Figure 11 - Natural Gas Usage

Gas Billing Data for District Offices			
Period Ending	Days in Period	Natural Gas Usage (Therms)	Natural Gas Cost
4/27/16	28	30	\$35
5/26/16	28	0	\$12
6/27/16	31	0	\$12
7/27/16	29	0	\$12
8/25/16	28	0	\$12
9/26/16	31	0	\$12
10/25/16	28	12	\$21
11/28/16	33	40	\$47
12/27/16	28	108	\$114
1/26/17	29	79	\$90
2/27/17	31	75	\$86
3/28/17	28	76	\$87
Totals	352	419	\$539
Annual	365	434	\$559

3.4 Benchmarking

This building was benchmarked using *Portfolio Manager*[®], an online tool created and managed by the United States Environmental Protection Agency (EPA) through the ENERGY STAR[®] program. Portfolio Manager[®] analyzes your building’s consumption data, cost information, and operational use details and then compares its performance against a national median for similar buildings of its type. Metrics provided by this analysis are Energy Use Intensity (EUI) and an ENERGY STAR[®] score for select building types.

The EUI is a measure of a building’s energy consumption per square foot, and it is the standard metric for comparing buildings’ energy performance. Comparing the EUI of a building with the national median EUI for that building type illustrates whether that building uses more or less energy than similar buildings of its type on a square foot basis. EUI is presented in terms of “site energy” and “source energy.” Site energy is the amount of fuel and electricity consumed by a building as reflected in utility bills. Source energy includes fuel consumed to generate electricity consumed at the site, factoring in electric production and distribution losses for the region.

Figure 12 - Energy Use Intensity Comparison – Existing Conditions

Energy Use Intensity Comparison - Existing Conditions		
	District Offices	National Median Building Type: Office
Source Energy Use Intensity (kBtu/ft ²)	164.3	148.1
Site Energy Use Intensity (kBtu/ft ²)	63.0	67.3

Implementation of all recommended measures in this report would improve the building’s estimated EUI significantly, as shown in the table below:

Figure 13 - Energy Use Intensity Comparison – Following Installation of Recommended Measures

Energy Use Intensity Comparison - Following Installation of Recommended Measures		
	District Offices	National Median Building Type: Office
Source Energy Use Intensity (kBtu/ft ²)	140.1	148.1
Site Energy Use Intensity (kBtu/ft ²)	55.3	67.3

Many types of commercial buildings are also eligible to receive an ENERGY STAR[®] score. This score is a percentile ranking from 1 to 100. It compares your building’s energy performance to similar buildings nationwide. A score of 50 represents median energy performance, while a score of 75 means your building performs better than 75% of all similar buildings nationwide and may be eligible for ENERGY STAR[®] certification. Your building is not is one of the building categories that are eligible to receive a score.

A Portfolio Manager[®] Statement of Energy Performance (SEP) was generated for this building, see Appendix B: ENERGY STAR[®] Statement of Energy Performance.

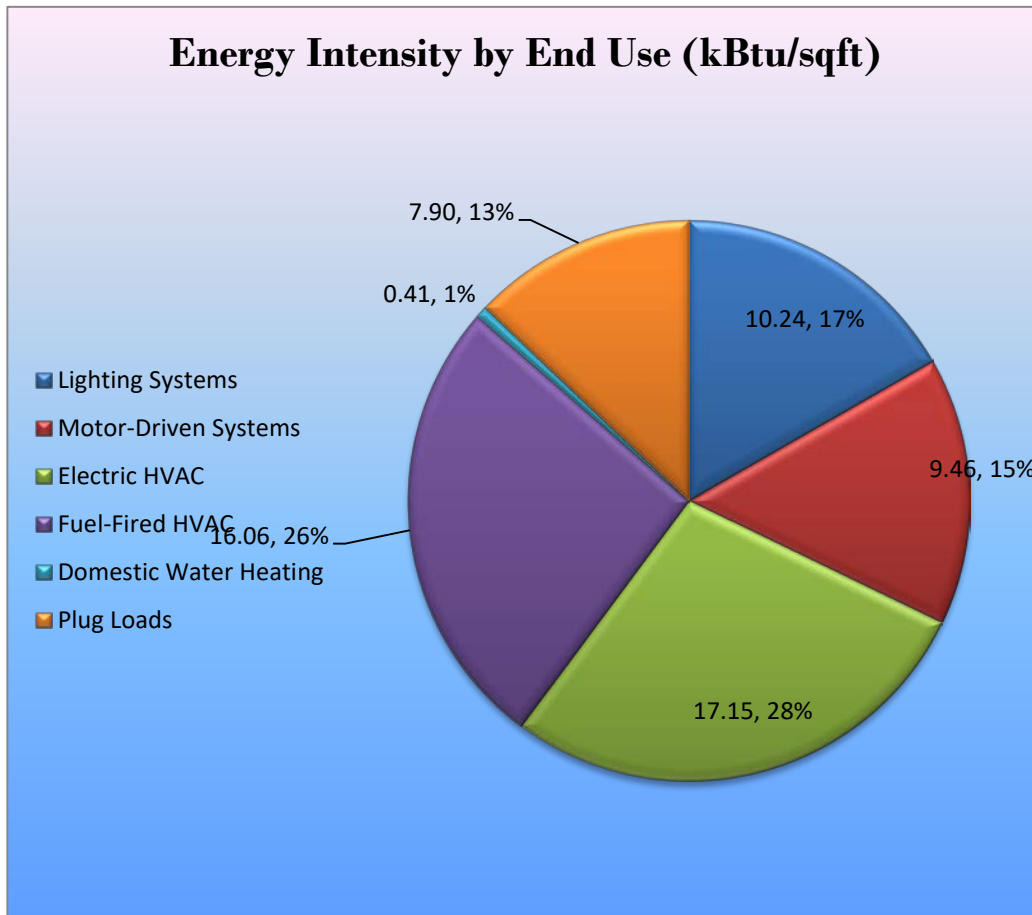
For more information on ENERGY STAR[®] certification go to: <https://www.energystar.gov/buildings/building-owners-and-managers/existing-buildings/earn-recognition/energy-star-certification/how-app-1>.

A Portfolio Manager[®] account has been created online for your building and you will be provided with the login information for the account. We encourage you to update your utility information in Portfolio Manager[®] regularly, so that you can keep track of your building’s performance. Free online training is available to help you use ENERGY STAR[®] Portfolio Manager[®] to track your building’s performance at: <https://www.energystar.gov/buildings/training>.

3.5 Energy End-Use Breakdown

In order to provide a complete overview of energy consumption across building systems, an energy balance was performed at this building. An energy balance utilizes standard practice engineering methods to evaluate all components of the various electric and fuel-fired systems found in a building to determine their proportional contribution to overall building energy usage. This chart of energy end uses highlights the relative contribution of each equipment category to total energy usage. This can help determine where the greatest benefits might be found from energy efficiency measures.

Figure 14 - Energy Balance (% and kBtu/SF)



4 ENERGY CONSERVATION MEASURES

Level of Analysis

The goal of this audit report is to identify potential energy efficiency opportunities, help prioritize specific measures for implementation, and provide information to the Buildings regarding financial incentives for which they may qualify to implement the recommended measures. For this audit report, most measures have received only a preliminary analysis of feasibility which identifies expected ranges of savings and costs. This level of analysis is usually considered sufficient to demonstrate project cost-effectiveness and help prioritize energy measures. Savings are based on the New Jersey Clean Energy Program Protocols to Measure Resource Savings dated June 29, 2016, approved by the New Jersey Board of Public Utilities. Further analysis or investigation may be required to calculate more precise savings based on specific circumstances. A higher level of investigation may be necessary to support any custom SmartStart or Pay for Performance, or Direct Install incentive applications. Financial incentives for the ECMs identified in this report have been calculated based the NJCEP prescriptive SmartStart program. Some measures and proposed upgrade projects may be eligible for higher incentives than those shown below through other NJCEP programs as described in Section 8.

The following sections describe the evaluated measures.

4.1 Recommended ECMs

The measures below have been evaluated by the auditor and are recommended for implementation at the building.

Figure 15 – Summary of Recommended ECMs

Energy Conservation Measure		Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)*	Estimated Net Cost (\$)	Simple Payback Period (yrs)**	CO ₂ e Emissions Reduction (lbs)
Lighting Upgrades		4,697	1.5	0.0	\$630.12	\$3,322.00	\$660.00	\$2,662.00	4.2	4,730
ECM 1	Retrofit Fluorescent Fixtures with LED Lamps and Drivers	287	0.1	0.0	\$38.53	\$234.00	\$20.00	\$214.00	5.6	289
ECM 2	Retrofit Fixtures with LED Lamps	4,410	1.4	0.0	\$591.59	\$3,088.00	\$640.00	\$2,448.00	4.1	4,441
Lighting Control Measures		1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407
ECM 3	Install Occupancy Sensor Lighting Controls	1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407
TOTALS		6,094	2.0	0.0	\$817.58	\$6,022.00	\$940.00	\$5,082.00	6.2	6,137

* - All incentives presented in this table are based on NJ Smart Start Building equipment incentives and assume proposed equipment meets minimum performance criteria for that program.

** - Simple Payback Period is based on net measure costs (i.e. after incentives).

4.1.1 Lighting Upgrades

Our recommendations for upgrades to existing lighting fixtures are summarized in Figure 16 below.

Figure 16 – Summary of Lighting Upgrade ECMs

Energy Conservation Measure		Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Reduction (lbs)
Lighting Upgrades		4,697	1.5	0.0	\$630.12	\$3,322.00	\$660.00	\$2,662.00	4.2	4,730
ECM 1	Retrofit Fluorescent Fixtures with LED Lamps and Drivers	287	0.1	0.0	\$38.53	\$234.00	\$20.00	\$214.00	5.6	289
ECM 2	Retrofit Fixtures with LED Lamps	4,410	1.4	0.0	\$591.59	\$3,088.00	\$640.00	\$2,448.00	4.1	4,441

During lighting upgrade planning and design, we recommend a comprehensive approach that considers both the efficiency of the lighting fixtures and how they are controlled.

ECM 1: Retrofit Fluorescent Fixtures with LED Lamps and Drivers

Summary of Measure Economics

Interior/ Exterior	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
Interior	287	0.1	0.0	\$38.53	\$234.00	\$20.00	\$214.00	5.6	289
Exterior	0	0.0	0.0	\$0.00	\$0.00	\$0.00	\$0.00	0.0	0

Measure Description

We recommend retrofitting existing fluorescent fixtures by removing fluorescent tubes and ballasts and replacing them with LEDs and LED drivers (if necessary), which are designed to be used retrofitted fluorescent fixtures. The measure is geared to the replacement of the T12 lamps where “plug and play” LED tubes may not serve as functional replacements. The measure uses the existing fixture housing but replaces the rest of the components with more efficient lighting technology. This measure saves energy by installing LEDs which use less power than other lighting technologies yet provide equivalent lighting output for the space.

Additional savings from lighting maintenance can be anticipated since LEDs have lifetimes which are more than twice that of a fluorescent tubes.

ECM 2: Retrofit Fixtures with LED Lamps

Summary of Measure Economics

Interior/ Exterior	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
Interior	4,410	1.4	0.0	\$591.59	\$3,088.00	\$640.00	\$2,448.00	4.1	4,441
Exterior	0	0.0	0.0	\$0.00	\$0.00	\$0.00	\$0.00	0.0	0

Measure Description

We recommend retrofitting existing fluorescent lighting technologies with LED lamps. Many LED tube lamps are direct replacements for existing fluorescent lamps and can be installed while leaving the fluorescent fixture ballast in place. LED bulbs can be used in existing fixtures as a direct replacement for most other lighting technologies. This measure saves energy by installing LEDs which use less power than other lighting technologies yet provide equivalent lighting output for the space.

Additional savings from lighting maintenance can be anticipated since LEDs have lifetimes which are more than twice that of a fluorescent tubes.

4.1.2 Lighting Control Measures

Our recommendation for upgrades to existing lighting controls is summarized in Figure 17 below.

Figure 17 – Summary of Lighting Control ECMs

Energy Conservation Measure		Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
Lighting Control Measures		1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407
ECM 3	Install Occupancy Sensor Lighting Controls	1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407

During lighting upgrade planning and design, we recommend a comprehensive approach that considers both the efficiency of the lighting fixtures and how they are controlled.

ECM 3: Install Occupancy Sensor Lighting Controls

Summary of Measure Economics

Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
1,397	0.5	0.0	\$187.47	\$2,700.00	\$280.00	\$2,420.00	12.9	1,407

Measure Description

We recommend installing occupancy sensors to control lighting fixtures that are currently controlled by manual switches in restrooms, storage rooms, and offices. Lighting sensors detect occupancy using ultrasonic and/or infrared sensors. For most spaces, we recommend lighting controls use dual technology sensors, which can eliminate the possibility of any lights turning off unexpectedly. Lighting systems are enabled when an occupant is detected. Fixtures are automatically turned off after an area has been vacant for a preset period. Some controls also provide dimming options and all modern occupancy controls can be easily over-ridden by room occupants to allow them to manually turn fixtures on or off, as desired. Energy savings results from only operating lighting systems when they are required.

Occupancy sensors may be mounted on the wall at existing switch locations, mounted on the ceiling, or in remote locations. In general, wall switch replacement sensors are recommended for single occupant offices and other small rooms. Ceiling-mounted or remote mounted sensors are used in locations without local switching or where wall switches are not in the line-of-sight of the main work area and in large spaces. We recommend a comprehensive approach to lighting design that upgrades both the lighting fixtures and the controls together for maximum energy savings and improved lighting for occupants.

4.2 ECMs Evaluated But Not Recommended

The measures below have been evaluated by the auditor but are not recommended for implementation at the building. Reasons for exclusion can be found in each measure description section.

Figure 18 – Summary of Measures Evaluated, But Not Recommended

Energy Conservation Measure	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)*	Estimated Net Cost (\$)	Simple Payback Period (yrs)**	CO ₂ e Emissions Reduction (lbs)
Gas Heating (HVAC/Process) Replacement	0	0.0	3.7	\$48.04	\$3,914.00	\$1,000.00	\$2,914.00	60.7	437
Install High Efficiency Hot Water Boilers	0	0.0	3.7	\$48.04	\$3,914.00	\$1,000.00	\$2,914.00	60.7	437
TOTALS	0	0.0	3.7	\$48.04	\$3,914.00	\$1,000.00	\$2,914.00	60.7	437

* - All incentives presented in this table are based on NJ Smart Start Building equipment incentives and assume proposed equipment meets minimum performance criteria for that program.

** - Simple Payback Period is based on net measure costs (i.e. after incentives).

Install High Efficiency Hot Water Boilers

Summary of Measure Economics

Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
0	0.0	3.7	\$48.04	\$3,914.00	\$1,000.00	\$2,914.00	60.7	437

Measure Description

We recommend replacing older inefficient hot water boilers with high efficiency hot water boilers when cost effective. Significant improvements have been made in combustion technology resulting in increased overall boiler efficiency. Energy savings results from improved combustion efficiency and reduced standby losses at low loads.

The most notable efficiency improvement is condensing hydronic boilers that can achieve over 90% efficiency under the proper conditions. Condensing hydronic boilers typically operate at efficiencies between 85% and 87% (comparable to other high efficiency boilers) when the return water temperature is above 130°F. The boiler efficiency increases as the return water temperature drops below 130 °F.

Reason for Not Recommending

We estimate that the project would not pay for itself through energy savings within the expected useful life of the replacement equipment.

5 ENERGY EFFICIENT PRACTICES

In addition to the quantifiable savings estimated in Section 4, a building's energy performance can also be improved through application of many low cost or no-cost energy efficiency strategies. By employing certain behavioral and operational changes and performing routine maintenance on building systems, equipment lifetime can be extended; occupant comfort, health and safety can be improved; and energy and O&M costs can be reduced. The recommendations below are provided as a framework for developing a whole building maintenance plan that is customized to your building. Consult with qualified equipment specialists for details on proper maintenance and system operation.

Reduce Air Leakage

Air leakage, or infiltration, occurs when outside air enters a building uncontrollably through cracks and openings. Properly sealing such cracks and openings can significantly reduce heating and cooling costs, improve building durability, and create a healthier indoor environment. This includes caulking or installing weather stripping around leaky doors and windows allowing for better control of indoor air quality through controlled ventilation.

Perform Proper Lighting Maintenance

In order to sustain optimal lighting levels, lighting fixtures should undergo routine maintenance. Light levels decrease over time due to lamp aging, lamp and ballast failure, and buildup of dirt and dust on lamps, fixtures and reflective surfaces. Together, these factors can reduce total illumination by 20%-60% or more, while operating fixtures continue drawing full power. To limit this reduction, lamps, reflectors and diffusers should be thoroughly cleaned of dirt, dust, oil, and smoke film buildup approximately every 6–12 months.

Develop a Lighting Maintenance Schedule

In addition to routine fixture cleaning, development of a maintenance schedule can both ensure maintenance is performed regularly and can reduce the overall cost of fixture re-lamping and re-ballasting. By re-lamping and re-ballasting fixtures in groups, lighting levels are better maintained and the number of site visits by a lighting technician or contractor can be minimized, decreasing the overall cost of maintenance.

Ensure Lighting Controls Are Operating Properly

Lighting controls are very cost effective energy efficient devices, when installed and operating correctly. As part of a lighting maintenance schedule, lighting controls should be tested annually to ensure proper functioning. For occupancy sensors, this requires triggering the sensor and verifying that the sensor's timer settings are correct. For daylight sensors, maintenance involves cleaning of sensor lenses and confirming setpoints and sensitivity are appropriately configured.

Use Fans to Reduce Cooling Load

Utilizing ceiling fans to supplement cooling is a low cost strategy to reduce cooling load considerably. Thermostat settings can be increased by 4°F with no change in overall occupant comfort when the wind chill effect of moving air is employed for cooling.

Clean Evaporator/Condenser Coils on AC Systems

Dirty evaporators and condensers coils cause a restriction to air flow and restrict heat transfer. This results in increased evaporator and condenser fan load and a decrease in cooling system performance. Keeping the coils clean allows the fans and cooling system to operate more efficiently.

Perform Proper Boiler Maintenance

Many boiler problems develop slowly over time, so regular inspection and maintenance is essential to retain proper functionality and efficiency of the heating system. Fuel burning equipment should undergo yearly tune-ups to ensure they are operating as safely and efficiently as possible from a combustion standpoint. A tune-up should include a combustion analysis to analyze the exhaust from the boilers and to ensure the boiler is operating safely. Buildup of dirt, dust, or deposits on the internal surfaces of a boiler can greatly affect its heat transfer efficiency. These deposits can accumulate on the water side or fire side of the boiler. Boilers should be cleaned regularly according to the manufacturer's instructions to remove this build up in order to sustain efficiency and equipment life.

Perform Proper Water Heater Maintenance

At least once a year, drain a few gallons out of the water heater using the drain valve. If there is a lot of sediment or debris, then a full flush is recommended. Turn the temperature down and then completely drain the tank. Once a year check for any leaks or heavy corrosion on the pipes and valves. For gas water heaters, check the draft hood and make sure it is placed properly, with a few inches of air space between the tank and where it connects to the vent. Look for any corrosion or wear on the gas line and on the piping. If you noticed any black residue, soot or charred metal, this is a sign you may be having combustion issues and you should have the unit serviced by a professional. For electric water heaters, look for any signs of leaking such as rust streaks or residue around the upper and lower panels covering the electrical components on the tank. For water heaters over three to four years old have a technician inspect the sacrificial anode annually.

Plug Load Controls

There are a variety of ways to limit the energy use of plug loads including increasing occupant awareness, removing under-utilized equipment, installing hardware controls, and using software controls. Some control steps to take are to enable the most aggressive power settings on existing devices or install load sensing or occupancy sensing (advanced) power strips. For additional information refer to "Plug Load Best Practices Guide" <http://www.advancedbuildings.net/plug-load-best-practices-guide-offices>.

Water Conservation

Installing low-flow faucets or faucet aerators, low-flow showerheads, and kitchen sink pre-rinse spray valves saves both energy and water. These devices save energy by reducing the overall amount of hot water used hence reducing the energy used to heat the water. The flow ratings for EPA WaterSense™ (<http://www3.epa.gov/watersense/products>) labeled devices are 1.5 gpm for bathroom faucets, 2.0 gpm for showerheads, and 1.28 gpm for pre-rinse spray valves.

Installing dual flush or low-flow toilets and low-flow or waterless urinals are additional ways to reduce the sites water use, however, these devices do not provide energy savings at the site level. Any reduction in water use does however ultimately reduce grid level electricity use since a significant amount of electricity is used to deliver water from reservoirs to end users. The EPA WaterSense™ ratings for urinals is 0.5 gpf and toilets that use as little as 1.28 gpf (this is lower than the current 1.6 gpf federal standard).

6 ON-SITE GENERATION MEASURES

On-site generation measure options include both renewable (e.g., solar, wind) and non-renewable (e.g., fuel cells) on-site technologies that generate power to meet all or a portion of the electric energy needs of a building, often repurposing any waste heat where applicable. Also referred to as distributed generation, these systems contribute to Greenhouse Gas (GHG) emission reductions, demand reductions and reduced customer electricity purchases, resulting in the electric system reliability through improved transmission and distribution system utilization.

The State of New Jersey’s Energy Master Plan (EMP) encourages new distributed generation of all forms and specifically focuses on expanding use of combined heat and power (CHP) by reducing financial, regulatory and technical barriers and identifying opportunities for new entries. The EMP also outlines a goal of 70% of the State’s electrical needs to be met by renewable sources by 2050.

Preliminary screenings were performed to determine the potential that a generation project could provide a cost-effective solution for your building. Before making a decision to implement, a feasibility study should be conducted that would take a detailed look at existing energy profiles, siting, interconnection, and the costs associated with the generation project including interconnection costs, departing load charges, and any additional special facilities charges.

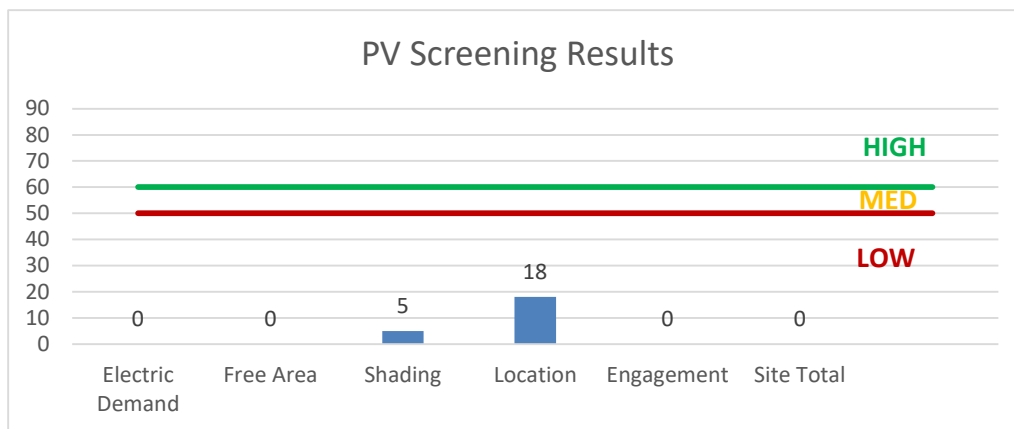
6.1 Photovoltaic

Sunlight can be converted into electricity using photovoltaics (PV) modules. Modules are racked together into an array that produces direct current (DC) electricity. The DC current is converted to alternating current (AC) through an inverter. The inverter is interconnected to the building’s electrical distribution system. The amount of unobstructed area available determines how large of a solar array can be installed. The size of the array combined with the orientation, tilt, and shading elements determines the energy produced.

A preliminary screening based on the building’s electric demand, size and location of free area, and shading elements shows that the building has a Low potential for installing a PV array.

In order to be cost-effective, a solar PV array needs certain minimum criteria, such as flat or south-facing rooftop or other unshaded space on which to place the PV panels. In our opinion, the building does appear not meet these minimum criteria for cost-effective PV installation.

Figure 19 - Photovoltaic Screening



For more information on solar PV technology and commercial solar markets in New Jersey, or to find a qualified solar installer, who can provide a more detailed assessment of the specific costs and benefits of solar develop of the site, please visit the following links below:

- **Basic Info on Solar PV in NJ:** <http://www.njcleanenergy.com/whysolar>
- **NJ Solar Market FAQs:** <http://www.njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-transition/solar-market-fags>
- **Approved Solar Installers in the NJ Market:** http://www.njcleanenergy.com/commercial-industrial/programs/nj-smartstart-buildings/tools-and-resources/tradeally/approved_vendorsearch/?id=60&start=1

6.2 Combined Heat and Power

Combined heat and power (CHP) is the on-site generation of electricity along with the recovery of heat energy, which is put to beneficial use. Common technologies for CHP include reciprocating engines, microturbines, fuel cells, backpressure steam turbines, and (at large facilities) gas turbines. Electric generation from a CHP system is typically interconnected to local power distribution systems. Heat is recovered from exhaust and ancillary cooling systems and interconnected to the existing hot water (or steam) distribution systems.

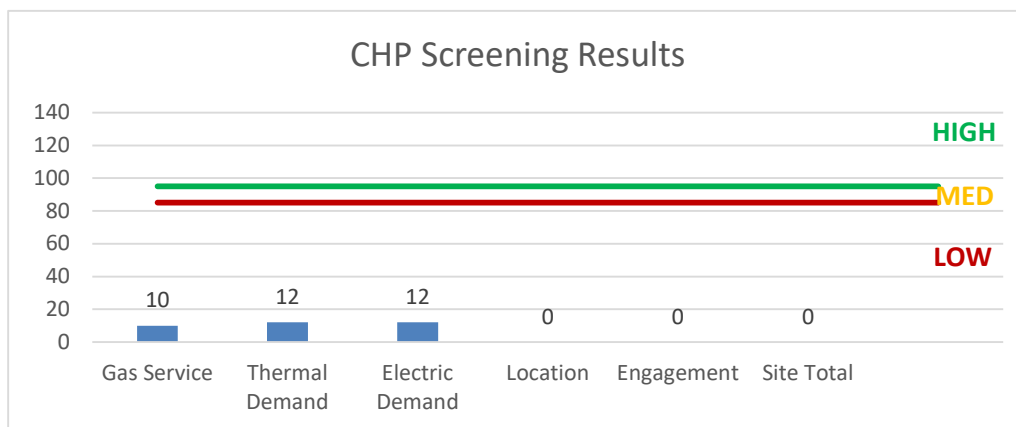
CHP systems are typically used to produce a portion of the electric power used onsite by a building, with the balance of electric power needs supplied by grid purchases. The heat is used to supplement (or supplant) existing boilers for the purpose of space heating and/or domestic hot water heating. Waste heat can also be routed through absorption chillers for the purpose of space cooling. The key criteria used for screening, however, is the amount of time the system operates at full load and the building’s ability to use the recovered heat. Facilities with continuous use for large quantities of waste heat are the best candidates for CHP.

A preliminary screening based on heating and electrical demand, siting, and interconnection shows that the building has a Low potential for installing a cost-effective CHP system.

Lack of gas service, low or infrequent thermal load, and lack of space near the existing boilers are the most significant factors contributing to the Low potential for CHP at the site. In our opinion, the building does not appear to meet the minimum requirements for a cost-effective CHP installation.

For a list of qualified firms in New Jersey specializing in commercial CHP cost assessment and installation, go to: http://www.njcleanenergy.com/commercial-industrial/programs/nj-smartstart-buildings/tools-and-resources/tradeally/approved_vendorsearch/.

Figure 20 - Combined Heat and Power Screening



7 DEMAND RESPONSE

Demand Response (DR) is a program designed to reduce the electric load of commercial facilities when electric wholesale prices are high or when the reliability of the electric grid is threatened due to peak demand. Demand Response service providers (a.k.a. Curtailment Service Providers) are registered with PJM, the independent system operator (ISO) for mid-Atlantic state region that is charged with maintaining electric grid reliability.

By enabling grid operators to call upon Curtailment Service Providers and commercial facilities to reduce electric usage during times of peak demand, the grid is made more reliable and overall transmission costs are reduced for all ratepayers. Curtailment Service Providers provide regular payments to medium and large consumers of electric power for their participation in DR programs. Program participation is voluntary and participants receive payments whether or not their building is called upon to curtail their electric usage.

Typically an electric customer needs to be capable of reducing their electric demand, within minutes, by at least 100 kW or more in order to participate in a DR program. Customers with a greater capability to quickly curtail their demand during peak hours will receive higher payments. Customers with back-up generators onsite may also receive additional DR payments for their generating capacity if they agree to run the generators for grid support when called upon. Eligible customers who have chosen to participate in a DR programs often find it to be a valuable source of revenue for their building because the payments can significantly offset annual electric costs.

Participating customers can often quickly reduce their peak load through simple measures, such as temporarily raising temperature set points on thermostats, so that air conditioning units run less frequently, or agreeing to dim or shut off less critical lighting. This usually requires some level of building automation and controls capability to ensure rapid load reduction during a DR curtailment event. DR program participants may need to install smart meters or may need to also sub-meter larger energy-using equipment, such as chillers, in order to demonstrate compliance with DR program requirements.

DR does not include the reduction of electricity consumption based on normal operating practice or behavior. For example, if a company's normal schedule is to close for a holiday, the reduction of electricity due to this closure or scaled-back operation is not considered a demand response activity in most situations.

The first step toward participation in a DR program is to contact a Curtailment Service Provider. A list of these providers is available on PJM's website and it includes contact information for each company, as well as the states where they have active business (<http://www.pjm.com/markets-and-operations/demand-response/csps.aspx>). PJM also posts training materials that are developed for program members interested in specific rules and requirements regarding DR activity (<http://www.pjm.com/training/training%20material.aspx>), along with a variety of other DR program information.

Curtailment Service Providers typically offer free assessments to determine a building's eligibility to participate in a DR program. They will provide details regarding program rules and requirements for metering and controls, assess a building's ability to temporarily reduce electric load, and provide details on payments to be expected for participation in the program. Providers usually offer multiple options for DR to larger facilities and may also install controls or remote monitoring equipment of their own to help ensure compliance with all terms and conditions of a DR contract.

8 PROJECT FUNDING / INCENTIVES

The NJCEP is able to provide the incentive programs described below, and other benefits to ratepayers, because of the Societal Benefits Charge (SBC) Fund. The SBC was created by the State of New Jersey’s Electricity Restructuring Law (1999), which requires all customers of investor-owned electric and gas utilities to pay a surcharge on their monthly energy bills. As a customer of a state-regulated electric or gas utility and therefore a contributor to the fund your organization is eligible to participate in the LGEA program and also eligible to receive incentive payment for qualifying energy efficiency measures. Also available through the NJBPU are some alternative financing programs described later in this section. Please refer to Figure 21 for a list of the eligible programs identified for each recommended ECM.

Figure 21 - ECM Incentive Program Eligibility

Energy Conservation Measure		SmartStart Prescriptive	SmartStart Custom	Direct Install	Pay For Performance Existing Buildings	Large Energy Users Program	Combined Heat & Power and Fuel Cell
ECM 1	Retrofit Fluorescent Fixtures with LED Lamps and Drivers	X		X			
ECM 2	Retrofit Fixtures with LED Lamps	X		X			
ECM 3	Install Occupancy Sensor Lighting Controls	X		X			

SmartStart is generally well-suited for implementation of individual measures or small group of measures. It provides flexibility to install measures at your own pace using in-house staff or a preferred contractor. Direct Install caters to small to mid-size facilities that can bundle multiple ECMs together. This can greatly simplify participation and may lead to higher incentive amounts, but requires the use of pre-approved contractors. The Pay for Performance (P4P) program is a “whole-building” energy improvement program designed for larger facilities. It requires implementation of multiple measures meeting minimum savings thresholds, as well as use of pre-approved consultants. The Large Energy Users Program (LEUP) is available to New Jersey’s largest energy users giving them flexibility to install as little or as many measures, in a single building or several facilities, with incentives capped based on the entity’s annual energy consumption. LEUP applicants can use in-house staff or a preferred contractor.

Generally, the incentive values provided throughout the report assume the SmartStart program is utilized because it provides a consistent basis for comparison of available incentives for various measures, though in many cases incentive amounts may be higher through participation in other programs.

Brief descriptions of all relevant financing and incentive programs are located in the sections below. Further information, including most current program availability, requirements, and incentive levels can be found at: www.njcleanenergy.com/ci.

8.1 SmartStart

Overview

The SmartStart program offers incentives for installing prescriptive and custom energy efficiency measures at your building. Routinely the program adds, removes or modifies incentives from year to year for various energy efficiency equipment based on market trends and new technologies.

Equipment with Prescriptive Incentives Currently Available:

Electric Chillers

Electric Unitary HVAC

Gas Cooling

Gas Heating

Gas Water Heating

Ground Source Heat Pumps

Lighting

Lighting Controls

Refrigeration Doors

Refrigeration Controls

Refrigerator/Freezer Motors

Food Service Equipment

Variable Frequency Drives

Most equipment sizes and types are served by this program. This program provides an effective mechanism for securing incentives for energy efficiency measures installed individually or as part of a package of energy upgrades.

Incentives

The SmartStart prescriptive incentive program provides fixed incentives for specific energy efficiency measures, whereas the custom SmartStart program provides incentives for more unique or specialized technologies or systems that are not addressed through prescriptive incentive offerings for specific devices.

Since your building is an existing building, only the retrofit incentives have been applied in this report. Custom measure incentives are calculated at \$0.16/kWh and \$1.60/therm based on estimated annual savings, capped at 50% of the total installed incremental project cost, or a project cost buy down to a one year payback (whichever is less). Program incentives are capped at \$500,000 per electric account and \$500,000 per natural gas account, per fiscal year.

How to Participate

To participate in the SmartStart program you will need to submit an application for the specific equipment to be installed. Many applications are designed as rebates, although others require application approval prior to installation. Applicants may work with a contractor of their choosing and can also utilize internal personnel, which provides added flexibility to the program. Using internal personnel also helps improve the economics of the ECM by reducing the labor cost that is included in the tables in this report.

Detailed program descriptions, instructions for applying and applications can be found at: www.njcleanenergy.com/SSB.

8.2 Direct Install

Overview

Direct Install is a turnkey program available to existing small to medium-sized facilities with an average peak electric demand that does not exceed 200 kW over the recent 12-month period. You work directly with a pre-approved contractor who will perform a free energy assessment at your facility, identify specific eligible measures, and provide a clear scope of work for installation of selected measures. Energy efficiency measures may include lighting and lighting controls, refrigeration, HVAC, motors, variable speed drives and controls.

Incentives

The program pays up to 70% of the total installed cost of eligible measures, up to \$125,000 per project. Each entity is limited to incentives up to \$250,000 per fiscal year.

How to Participate

To participate in Direct Install, you will need to contact the participating contractor assigned to the region of the state where your facility is located. A complete list of Direct Install program partners is provided on the Direct Install website linked below. The contractor will be paid the measure incentives directly by the program which will pass on to you in the form of reduced material and implementation costs. This means up to 70% of eligible costs are covered by the program, subject to program caps and eligibility, while the remaining 30% of the cost is paid to the contractor by the customer.

Detailed program descriptions and applications can be found at: www.njcleanenergy.com/DI.

8.3 Energy Savings Improvement Program

The Energy Savings Improvement Program (ESIP) is an alternate method for New Jersey's government agencies to finance the implementation of energy conservation measures. An ESIP is a type of "performance contract," whereby school districts, counties, municipalities, housing authorities and other public and state entities enter in to contracts to help finance building energy upgrades. This is done in a manner that ensures that annual payments are lower than the savings projected from the ECMs, ensuring that ESIP projects are cash flow positive in year one, and every year thereafter. ESIP provides government agencies in New Jersey with a flexible tool to improve and reduce energy usage with minimal expenditure of new financial resources. NJCEP incentive programs can be leveraged to help further reduce the total project cost of eligible measures.

This LGEA report is the first step to participating in ESIP. Next, you will need to select an approach for implementing the desired ECMs:

- (1) Use an Energy Services Company or "ESCO."
- (2) Use independent engineers and other specialists, or your own qualified staff, to provide and manage the requirements of the program through bonds or lease obligations.
- (3) Use a hybrid approach of the two options described above where the ESCO is utilized for some services and independent engineers, or other specialists or qualified staff, are used to deliver other requirements of the program.

After adopting a resolution with a chosen implementation approach, the development of the Energy Savings Plan (ESP) can begin. The ESP demonstrates that the total project costs of the ECMs are offset by the energy savings over the financing term, not to exceed 15 years. The verified savings will then be used to pay for the financing.

The ESIP approach may not be appropriate for all energy conservation and energy efficiency improvements. Entities should carefully consider all alternatives to develop an approach that best meets their needs. A detailed program description and application can be found at: www.njcleanenergy.com/ESIP

Please note that ESIP is a program delivered directly by the NJBPU and is not an NJCEP incentive program. As mentioned above, you may utilize NJCEP incentive programs to help further reduce costs when developing the ESP. You should refer to the ESIP guidelines at the link above for further information and guidance on next steps.

9 ENERGY PURCHASING AND PROCUREMENT STRATEGIES

9.1 Retail Electric Supply Options

In 1999, New Jersey State Legislature passed the Electric Discount & Energy Competition Act (EDECA) to restructure the electric power industry in New Jersey. This law deregulated the retail electric markets, allowing all consumers to shop for service from competitive electric suppliers. The intent was to create a more competitive market for electric power supply in New Jersey. As a result, utilities were allowed to charge Cost of Service and customers were given the ability to choose a third party (i.e., non-utility) energy supplier.

Energy deregulation in New Jersey has increased energy buyers' options by separating the function of electricity distribution from that of electricity supply. So, though you may choose a different company from which to buy your electric power, responsibility for your building's interconnection to the grid and repair to local power distribution will still reside with the traditional utility company serving your region.

If your building is not purchasing electricity from a third party supplier, consider shopping for a reduced rate from third party electric suppliers. If your building is purchasing electricity from a third party supplier, review and compare prices at the end of the current contract or every couple years.

A list of third party electric suppliers, who are licensed by the state to provide service in New Jersey, can be found online at: www.state.nj.us/bpu/commercial/shopping.html.

9.2 Retail Natural Gas Supply Options

The natural gas market in New Jersey has also been deregulated. Most customers that remain with the utility for natural gas service pay rates that are market-based and that fluctuate on a monthly basis. The utility provides basic gas supply service (BGSS) to customers who choose not to buy from a third party supplier for natural gas commodity.

A customer's decision about whether to buy natural gas from a retail supplier is typically dependent upon whether a customer seeks budget certainty and/or longer-term rate stability. Customers can secure longer-term fixed prices by signing up for service through a third party retail natural gas supplier. Many larger natural gas customers may seek the assistance of a professional consultant to assist in their procurement process.

If your building is not purchasing natural gas from a third party supplier, consider shopping for a reduced rate from third party natural gas suppliers. If your building is purchasing natural gas from a third party supplier, review and compare prices at the end of the current contract or every couple years.

A list of third party natural gas suppliers, who are licensed by the state to provide service in New Jersey, can be found online at: www.state.nj.us/bpu/commercial/shopping.html.

Appendix A: Equipment Inventory & Recommendations

Lighting Inventory & Recommendations

Location	Existing Conditions					Proposed Conditions							Energy Impact & Financial Analysis						
	Fixture Quantity	Fixture Description	Control System	Watts per Fixture	Annual Operating Hours	Fixture Recommendation	Add Controls?	Fixture Quantity	Fixture Description	Control System	Watts per Fixture	Annual Operating Hours	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Main Area	20	Linear Fluorescent - T8: 4' T8 (32W) - 4L	Wall Switch	114	2,080	Relamp	Yes	20	LED - Linear Tubes: (4) 4' Lamps	Occupancy Sensor	58	1,456	1.17	3,573	0.0	\$479.28	\$2,442.67	\$470.00	4.12
Kitchen Area	2	Linear Fluorescent - T8: 4' T8 (32W) - 4L	Wall Switch	114	2,080	Relamp	Yes	2	LED - Linear Tubes: (4) 4' Lamps	Occupancy Sensor	58	1,456	0.12	357	0.0	\$47.93	\$460.27	\$75.00	8.04
Office 1	2	Linear Fluorescent - T8: 4' T8 (32W) - 4L	Wall Switch	114	2,080	Relamp	Yes	2	LED - Linear Tubes: (4) 4' Lamps	Occupancy Sensor	58	1,456	0.12	357	0.0	\$47.93	\$460.27	\$75.00	8.04
Storage Room	2	Linear Fluorescent - T12: 4' T12 (40W) - 2L	Wall Switch	88	2,080	Relamp & Reballast	Yes	2	LED - Linear Tubes: (2) 4' Lamps	Occupancy Sensor	29	1,456	0.11	330	0.0	\$44.21	\$504.00	\$20.00	10.95
Conference Room	3	Linear Fluorescent - T8: 4' T8 (32W) - 4L	Wall Switch	114	2,080	Relamp	Yes	3	LED - Linear Tubes: (4) 4' Lamps	Occupancy Sensor	58	1,456	0.18	536	0.0	\$71.89	\$555.40	\$95.00	6.40
Office 3	1	Linear Fluorescent - T8: 4' T8 (32W) - 4L	Wall Switch	114	2,080	Relamp	Yes	1	LED - Linear Tubes: (4) 4' Lamps	Occupancy Sensor	58	1,456	0.06	179	0.0	\$23.96	\$365.13	\$20.00	14.40
Office 2	2	Linear Fluorescent - T8: 4' T8 (32W) - 4L	Wall Switch	114	2,080	Relamp	Yes	2	LED - Linear Tubes: (4) 4' Lamps	Occupancy Sensor	58	1,456	0.12	357	0.0	\$47.93	\$460.27	\$75.00	8.04
Men's Restroom	2	Linear Fluorescent - T8: 4' T8 (32W) - 2L	Wall Switch	62	2,080	Relamp	Yes	2	LED - Linear Tubes: (2) 4' Lamps	Occupancy Sensor	29	1,456	0.07	203	0.0	\$27.23	\$387.00	\$55.00	12.19
Women's Restroom	2	Linear Fluorescent - T8: 4' T8 (32W) - 2L	Wall Switch	62	2,080	Relamp	Yes	2	LED - Linear Tubes: (2) 4' Lamps	Occupancy Sensor	29	1,456	0.07	203	0.0	\$27.23	\$387.00	\$55.00	12.19
Main Area	2	Exit Signs: LED - 2 W Lamp	None	6	8,760	None	No	2	Exit Signs: LED - 2 W Lamp	None	6	8,760	0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00

Motor Inventory & Recommendations

Location	Area(s)/System(s) Served	Existing Conditions						Proposed Conditions				Energy Impact & Financial Analysis						
		Motor Quantity	Motor Application	HP Per Motor	Full Load Efficiency	VFD Control?	Annual Operating Hours	Install High Efficiency Motors?	Full Load Efficiency	Install VFDs?	Number of VFDs	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Conference Room Ceiling	Whole Office Space	1	Supply Fan	1.5	84.0%	No	2,745	No	84.0%	No		0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00
Conference Room Ceiling	Whole Office Space	1	Return Fan	1.0	82.5%	No	2,745	No	82.5%	No		0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00
Boiler Room	Heating Distribution	1	Heating Hot Water Pump	0.8	80.0%	No	2,745	No	80.0%	No		0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00
Boiler Room	DHW circulation	1	Water Supply Pump	0.8	80.0%	No	2,745	No	80.0%	No		0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00

HVAC Inventory & Recommendations

		Existing Conditions				Proposed Conditions							Energy Impact & Financial Analysis							
Location	Area(s)/System(s) Served	System Quantity	System Type	Cooling Capacity per Unit (Tons)	Heating Capacity per Unit (kBtu/hr)	Install High Efficiency System?	System Quantity	System Type	Cooling Capacity per Unit (Tons)	Heating Capacity per Unit (kBtu/hr)	Cooling Mode Efficiency (SEER/EER)	Heating Mode Efficiency (COP)	Install Dual Enthalpy Economizer?	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Outdoors	Whole Office Area	1	Split-System AC	10.00		No							No	0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00

Fuel Heating Inventory & Recommendations

		Existing Conditions				Proposed Conditions						Energy Impact & Financial Analysis						
Location	Area(s)/System(s) Served	System Quantity	System Type	Output Capacity per Unit (MBh)	Install High Efficiency System?	System Quantity	System Type	Output Capacity per Unit (MBh)	Heating Efficiency	Heating Efficiency Units	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years	
Boiler Room	Whole Office Space	1	Non-Condensing Hot Water Boiler	100.00	Yes	1	Condensing Hot Water Boiler	100.00	93.00%	AFUE	0.00	0	3.7	\$48.04	\$3,914.00	\$1,000.00	60.66	

DHW Inventory & Recommendations

		Existing Conditions				Proposed Conditions					Energy Impact & Financial Analysis						
Location	Area(s)/System(s) Served	System Quantity	System Type	Replace?	System Quantity	System Type	Fuel Type	System Efficiency	Efficiency Units	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years	
Boiler Room	Whole Office Space	1	Storage Tank Water Heater (> 50 Gal)	No						0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00	

Plug Load Inventory

		Existing Conditions			
Location	Quantity	Equipment Description		Energy Rate (W)	ENERGY STAR Qualified?
Offices	11	Desktop computers		150.0	Yes
Offices	3	Desk printers		60.0	Yes
Offices	2	Photocopier		600.0	Yes
Offices	1	Shredder		150.0	Yes
Offices	1	SmartBoard		100.0	Yes
Offices	1	Refrigerator		172.0	Yes
Offices	1	Microwave		1,000.0	No
Offices	2	Coffee Maker		900.0	No
Offices	1	LCD TV		71.0	Yes
Offices	1	Water cooler		500.0	No

Appendix B: ENERGY STAR® Statement of Energy Performance

ENERGY STAR® Statement of Energy Performance

LEARN MORE AT energystar.gov

N/A

Pequannock Township BOE District Offices

Primary Property Type: Office
Gross Floor Area (ft²): 2,700
Built: 1996

For Year Ending: February 28, 2017
Date Generated: March 22, 2018

ENERGY STAR® Score¹

1. The ENERGY STAR score is a 1-100 assessment of a building's energy efficiency as compared with similar buildings nationwide, adjusting for climate and business activity.

Property & Contact Information

Property Address Pequannock Township BOE District Offices 538 Newark Pompton Turnpike Pompton Plains, New Jersey 07444	Property Owner Pequannock Township Board of Education 538 Newark Pompton Turnpike Pompton Plains, NJ 07444 973-616-6030	Primary Contact Kateryna Bechtel 538 Newark Pompton Turnpike Pompton Plains, NJ 07444 973-616-6030 Ext. 7201 kathy.bechtel@pequannock.org
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Property ID: 6254801

Energy Consumption and Energy Use Intensity (EUI)

Site EUI 61.3 kBtu/ft ²	Annual Energy by Fuel		National Median Comparison	
	Electric - Grid (kBtu)	123,491 (75%)	National Median Site EUI (kBtu/ft ²)	56.7
	Natural Gas (kBtu)	42,009 (25%)	National Median Source EUI (kBtu/ft ²)	148.1
			% Diff from National Median Source EUI	8%
Source EUI				
160 kBtu/ft ²			Annual Emissions	
			Greenhouse Gas Emissions (Metric Tons CO ₂ e/year)	16

Signature & Stamp of Verifying Professional

I _____ (Name) verify that the above information is true and correct to the best of my knowledge.

Signature: _____ Date: _____

Licensed Professional

() - _____



Professional Engineer Stamp
(if applicable)