



Builder Guidelines – Program Incentives

For homes enrolling in the program after January 1, 2006*

New Jersey ENERGY STAR Homes is sponsored by the New Jersey Board of Public Utilities and New Jersey's Clean Energy Program. It is a fuel-neutral program, open to all builders of single- and multi-family residential structures that are individually metered on a New Jersey gas and/or electric utility's residential service. Homes located in State designated "Smart Growth" areas (defined as Planning Areas I & II and Designated Centers) are eligible for all aspects of the program including financial incentives. Homes in non-Smart Growth areas are only eligible for the program's certification services, unless in a specifically exempted construction category.

The New Jersey ENERGY STAR Homes Program is based on the nationally recognized Home Energy Rating System (HERS) and standards established by the US EPA for ENERGY STAR Homes qualification. An energy rating at least 15% more efficient than an equivalent home built to meet IECC 2004 is required, based on a combination of HVAC, water heating, building envelope, lighting and appliance efficiencies.

Additionally, there are certain program requirements for: 1) central air conditioners and/or heat pumps (when installed); 2) ducts (when installed); 3) house and thermal bypass air sealing; 4) mechanical ventilation; and 5) ENERGY STAR lighting. The program will provide technical support to review blueprints and make upgrade recommendations if a home does not qualify as submitted. Each home will also be inspected and performance tests conducted for program compliance. (There is no cost to the builder for this rating service.)

The New Jersey ENERGY STAR Homes program offers incentive payments to help offset the incremental upgrade costs from "typical" construction practices to ENERGY STAR compliance. The program also offers a portion of the applicable incentive if oil, propane or electricity from a municipal utility are used. Supplemental incentives are available for qualifying energy-efficient products used in the home.

The following incentives are currently in effect:

Core Incentive

Dwelling Type	Incentive Level ¹
Single-Family	\$500 + \$0.60/sq. ft.
Multiple Single-Family ("Townhouse")	\$150 + \$0.60/sq. ft.
Multiple-Family Building ("Multi-Family")	\$0.60/sq. ft.
Core Incentive Cap \$2,900	¹ For all finished living space up to a maximum of \$2,900

HVAC Equipment Incentives

Equipment Type	Efficiency Standard	Incentive Level ²
Gas Boiler	ENERGY STAR - 85% AFUE	\$300 **
Gas Furnace	ENERGY STAR - 90% AFUE	\$300 **
Central A/C	14 SEER, 12.0 EER	\$300
Central A/C	15 SEER, 12.5 EER	\$400
Heat Pump	14 SEER, 12.0 EER, 8.5 HSPF	\$350
** as stated in the Gas Appliance Manufacturers Association (GAMA) Consumer's Directory of Certified Efficiency Ratings		
Heat Pump	15 SEER, 12.5 EER, 8.5 HSPF	\$450
Ground Source Heat Pump	13 EER	\$500/ton
² Per installed unit		

ECM (Electronic Commutated Motors) installed on 92% AFUE or greater furnaces are eligible for an additional incentive of \$100.

Supplemental Incentives

Equipment Type	Efficiency Standard	Incentive Level
Washing Machine	ENERGY STAR model	\$175
Light Fixtures	ENERGY STAR fixtures in high-use locations (excludes closets, garages, unfinished basements or other locations where lights are typically on for less than 2 hours/day)	\$30 each for recessed fixtures*** \$20 each for all others

***Only additional qualifying fixtures above the minimum requirement of 3 qualifying fixtures will be eligible for incentives.

Participating builders must sign a Partnership Agreement with the U.S. EPA to become an ENERGY STAR Homes Partner. In order to maintain this status, participants must build at least one ENERGY STAR home per year.

* Unless permitted by June 30 and completed by December 31, 2006