

New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting
Tuesday, October 14, 2008
Hosted by Honeywell - CSG/Iselin

Attendees:

In Person:

Dave Holland (Honeywell)
Dave Wolk (Honeywell)
Dawn Chaplin (Honeywell)
Sharon Wolf (NJ BPU)
Maria Grazul (CSG)
Bruce Grossman (SJG)
John Zarzycki (BPU)

Anne-Marie Peracchio (NJNG)
Mike Ambrosio (AEG)
Karen Paine (TRC)
Deane Evans (NJIT)
Roger Kliemish (TRC)
Jonathan Cloud (FDU)

Mona Mosser (NJ BPU),
Julie deSeve (CSG)
Dr. George Molteni (Energy Group)
Kimberly Hoff (CSG)
Ben Adams (Magrann)
Gabe Nathanson (NJHMFA)

Via Phone:

Greg Coleman (TRC)
Chris Granda (VEIC)
Joe Carpenter (NJ Dept. of Env. Protection)

Dave Nichols (Rate Counsel)
Cliff Payne (CMC)

Diane Zukas (TRC)

Introductions

Program Coordinator and Regulatory Updates

Presenter: Mike Ambrosio

1. Recent Board Orders – Both orders approved.
 - Overall, Residential funding is up and Renewable is down. C&I more than doubles.
 - Efficiency for 2010+ significantly jumps so we need to really start conceptualizing and getting a direction for 2-3 year plans.
 - CRA - CRA having trouble due to size posting it on the website. Linda Wetzel is working on. Mona received feedback that there was a read/print table issue.
 - 2008 NJCEP True-up Budget posted on October 3rd. Available on the website. Board added 3.5 million to CHP program. Another noted exception in true-ups is for the Municipal Audit 1 mil To 2.3 mil.
2. Energy Master Plan - Working on final for end of the month (Mona stated she had only heard 'soon').
 - a. NEEP meets on October 30th and some directives will come from there.
3. Proposed Contract Mods
 - On a parallel timeframe TRC and HW proposed contract mods - Mike Ambrosio wants this week.
 - Our contracts end January 19th. There is an option for a 2 yr extension.
 - Week before the 7th Mike Ambrosio will work with Honeywell and TRC to get those comments together to reflect changes
 - TRC – Diane says they are close.
 - Comments – email Mona. They will figure out how to post.

- Note: Mike Ambrosio thinks worth mentioning – Solar has been so successful the Board needs to go to the market based approach. We may need to look at 8 yr SACP payment schedule since it is hard to get financing for SREC's. Something like allowing purchases for 10-15 year periods so project owners can get financing. The utilities will enter into contract and sell the SREC's to suppliers. The ratepayers will make up the difference. Sell at auction and buy at solicitation-we need to be more competitive. Additional note: Tax credits have been expanded to 30% of cost for renewables.
- Note: Dave Holland needs to look at tax credit changes on the HW and TRC efficiency side and incorporate in the next filing.
- Note: Mike Winka is at the Governor's office. Governor expected to make an announcement on October 16th around energy efficiency and recommendations due to the economy. We should be prepared to react quickly.
- Note: Low Income Program – Partnership with DCA terminated - full amount going to Comfort Partners. One barrier in spending all the money is getting enough crews to do the work.
- a. Bruce Grossman – Comfort Partners effort to create an opportunity to allow more certified bidders over the next 4 years. RFP pulled because they thought it was the same bidders and they want more participation and we need to regenerate the pool of participants. Recommendation we make weatherization as part of the Universal Service Fund (USF). In some states it's mandatory. Overall reworking program filing with need to make more adaptable.
 - b. Mike Ambrosio noted that the utilities are at capacity. 2009 funding for training new crews. More work done in each home.
 - c. Anne-Marie Peracchio stated that the education and depth of training needed is extensive

2009 NJCEP Energy Efficiency Plans Filing timeline

Initial Program Filings to Board – Oct 3, TRC; Oct 6 HW.

Comments due by October 24th

Clean Energy Committee Meeting – Oct 24th at CEEEP

Revised HW and TRC filings due Board Nov 7th

Targeting December 8th Board Meeting for vote.

2009 NJCEP Energy Efficiency Plans Filing Updates & Progress

Presenters: Chris Granda (VEIC), Dave Holland (Honeywell), Greg Coleman (TRC) and Dave Wolk (Honeywell)

PowerPoint Presentation/Handouts:

1. NJCEP's Residential Energy Efficiency 2009 Program Filing Update
 2. Residential Programs Progress Toward Goals – Statewide Results YTD, September 2008
 3. Municipal Audit Business Process
1. Timeline expectations for filing noted – HW October 6th and TRC October 3rd
 - a. Greg Coleman – Draft submitted on schedule and currently waiting comments. Some items under development so there are placeholders in effect.
 - b. Dave Holland – Input from this group and OCE went into the filings. Not sure if they were posted yet. Group may want to distribute/not sure if posted publically. 2008 contract modifications not yet issued – approval almost finalized.
 2. **Existing Homes** – Major shift of incentives from marketing. Completely redesigned.

3. **Residential New Construction** – Incentives have gone down which is a reflection of the philosophy change to builder participation. Changes reflect the market changes and volume of new construction at this economic time, turnaround in the market is not expected until the end of 2009. New Tiers have more depth. Increase in marketing budget. We are moving to a more open raters market.
- Creative Initiatives and R&D – Soliciting creative proposals for new or alternative approaches/promotions. Incentives will be provided for these.
 - Ben Adams – For all intensive purposes 2008 will reflect 2009 changes. We will be about 60 days head s up for roll up for January 1st. Joke all we need to do is change all the 2008 references to 2009.
- Note: Per Ben Adams, our market share stays about the same, but absolute numbers of new homes is reducing.
4. **HVAC** – Will have changes in the programs (e.g., QIC), however, there is no real change in the budget.
5. **ENERGY STAR® Products** – The number of CFL's we plan to run is about the same as this year and running for a longer period of time during the year. Residential electricity consumption is going up due to the products we are buying/using in our homes. Electronics potentials are home pc's and set top boxes (higher electricity use than other appliances). Right now there is very good preliminary findings on this research. Appliance Retirement program is a key feature. Currently for refrigerators and freezers and we are analyzing for other types of appliances.
- a. Creative Initiatives - The increase reflects our goals of expanding our marketing channels by increasing community activity begun in 2008 (pending successful completion of current programs) to continue the work begun with communities and local organizations. Additional incentives pointed at promotions for the subset of customers who do not respond to conventional retail price incentive campaigns.
6. **Municipality Audit** –Creative materials, press release, posted on website. DCA requested additional reviews – we have not received final. There needs to be a solution for bidding process to ensure competitive bidding. Municipalities are to request proposals from a list of approved contractors operating on a fixed fee basis. Right now there is no requirement to choose the lowest quote point blank. There is a process for assessing. TRC is giving guidance to the municipalities on the choice. Mike Ambrosio wants to be clear about the rules. Concert about who is selected and how (e.g., choosing the highest bidder for no reason). Overall municipality chooses and TRC guides.
- Roger Kliemish – Overall the phones are very busy. There is essentially not a queue. Roger is the first point of contact working with applications.
7. **Teaching Energy Awareness with Children's Help (TEACH)** - K-12 Schools Energy and Education Program formerly referred to as SEEP - now referred to as TEACH. Focusing on entire school communities more.
8. **New Construction Pay for Performance** – Goals to transform the market and expand companies offering services which create industry jobs. Reach commercial customers which are a significant portion of NJ energy. Draft design being circle internally. No completion date noted.
9. **Direct Install Design** – Goal is to reach small commercial business. This is a 2 step process. 1) Design and development and 2) Requests for implementation approved. Mike Ambrosio says ready when TRC is ready.

The Energy Group Presentation by Dr. George Molteni

Contact Information: Dr. George Molteni – CEO, The Energy Group Postal Suite 337, Little Falls, NJ 07424-0337

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Presented a devise that claims to reduce green house gas emissions and fuel costs by 20% or more.

Defined as an inline, fuel stabilization devise that cuts fuel operating costs 10%-31% and GHG emissions up to 96%.

Dr. Molteni brought several sized devices for display. Equipment is sized on the OD/ID of the fuel line nearest combustion, after filter and pump. Noted that the devices have several applications for equipment using various types of fuel. Applications primarily for C&I as the cost benefits for residential are smaller. Noted to have installs in about only 3 homes in NJ.

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Claims no maintenance, 10 year product warranty and 1 year money back guarantee. Says to have no impact on manufacturer warranties as it is classified as an emissions device.

Other / General

- Anne-Marie Peracchio (NJNG) – Companion Coupon. They are expanding theirbecause audits have not come to completion.
- Doing discounted Conservation Kits again – Tying them in with the Home Performance Program offering \$50 coupons.
- NJNG also reaching out to auditors to redeem coupons.
- Direct mail piece will have both coupons and push for the Dashboard. Looking to have a contest for winners to get a free HP assessment.

Next Meeting

November 12th - 9:30 to 12:00