

**New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting
October 14, 2014
BPU, Trenton**

Updates on Filings, Board Orders and Regulatory Items

On the November agenda:

- A new proposal has been sent out to add Prescriptive incentives for LED tubes.

FY14 True-Up Budget:

- The final numbers for FY14 are available in order to calculate needed changes to the budgets. In the next few weeks, there will be a proposal to discuss budget changes.

June CRA staff straw proposal:

- *Background:* The proposal spoke about a work group to discuss possible Program changes. The idea was to formulate a committee to take a hard look at all Programs and make recommendations (i.e. should programs be eliminated, changed?) based on research of other state programs, cost/benefit analysis, etc.
- A proposal is with the staff now, and there is expected to be a public statement available within the next few days. The committee would meet in late October/early November. Research from the meeting will be presented in January, and then a third meeting in February would take place in order to present recommendations in time for FY16 planning.

Discussion of NJCEP Program Administrator RFP

The Board is still working on the RFP, and is hoping for a year end launch.

FY15 True-Up Budget

In June, the Board approved the FY15 budgets and extended the FY14 compliance filings in terms of the Program descriptions. At the September 30th meeting, the Board approved the revised FY15 compliance filings, as well as any minor Program changes (which should be implemented soon, if they have not already been).

Question by Anne Marie Perracchio: Any news on timing of the NJ Clean Energy Economy study results?

Answer by Mike Ambrosio: I don't believe I've heard anything—there may have been an internal meeting a few weeks ago.

Sherri Jones: I think there will be a few more internal meetings [before any statements are available].

Mike Ambrosio: Today's meeting is going to focus on energy savings and, as Betsy said a number of times in the past, this will begin the shift in focus from number of participants [in the Programs] as the main goal, to energy savings as main goal. She asked Honeywell and TRC to put together findings of FY14 energy savings results for this meeting, and these findings will act as somewhat of a baseline for the attention of the work group.

Residential Programs - Honeywell
Fiscal Year 2014 Program Final Results

Energy Efficient Products:

- Cumulative lifetime MWh savings 180% of goal.
- Cumulative lifetime DTh savings 137% of goal.

Monthly Overview

- Washer completions 151% of goal.
- Refrigerator completions 34% of goal.
- Lighting completions 125% of goal.
- Fridge Recycling 66% of goal.
- Consumer electronics 160% of goal.

Question by Mike Ambrosio: Any idea why refrigerator numbers are low, is it a late start, or...?

Answer by Kevin Burke: We are looking to make some modifications with the refrigerator design. Currently it is difficult to translate Program standards to consumers.

HVAC WARM & COOLAdvantage:

- Cumulative lifetime MWh savings 87% of goal.
- Cumulative lifetime DTh savings 71% of goal.

Monthly Overview

- Cool completions 69% of goal.
- Warm completions 102% of goal.
- HVAC Completions 96% of goal.

Question by Anne Marie Perracchio: Do you have the split [in numbers] for *WARM* between water heaters versus other heating equipment?

Answer by Honeywell/CSG (paraphrased): No, we don't right here—it's a mix of measures, which is also why we're showing savings a bit below what is shown for budget expenditures (budget is shown being spent at 100%). There was a push for the dual change-out, however, so there is likely a spike in water heater installations.

Mike Ambrosio: That answered my question as well—I wondered what was driving the 100% budget expenditures and only 71% of energy savings. In the future, we will discuss asking for revised goals with revised budget so that all the data aligns.

Home Performance with ENERGY STAR®:

Cumulative MWh savings 227% of goal.

Cumulative DTh savings 122% of goal.

Monthly Overview

- Tier 2 completions at 213% of goal.
- Tier 3 Completions at 134% of goal.
- Total completions at 138% of goal.

RNC:

Cumulative MWh savings 175% of goal.

Cumulative DTh savings 82% of goal.

Monthly Overview

- Enrollments 68% of goal.
- Completions 67% of goal.

Fiscal Year 2015 Program Results to Date

Energy Efficient Products:

- Cumulative lifetime MWh savings 10% of plan.
- Cumulative lifetime DTh savings 9% of goal.

Question by Sherri Jones: Can you provide an explanation of that red line on the graph between August and September?

Answer by Kevin Burke (paraphrased): The savings are calculated by when a unit gets on a funding request, so we had a push at the end of the year to make sure we got everything we could onto the fiscal year budget. We were able to do that for the public products, and most of the Programs, but for some there was a second invoice request needed. Therefore, numbers from July represent work done in June, and so on.

Sherri Jones: How did we calculate savings, is it historical?

Kevin Burke: Yes, we took last year's numbers against this year's plan, and that is how we came up with the monthly goals.

Mike Ambrosio: Why the huge spike in June?

Kevin Burke: It was the end of the contract year (when lighting vendors make harder pushes for sales).

HVAC WARM & COOL Advantage:

- Cumulative lifetime MWh savings 8% of plan.
- Cumulative lifetime DTh savings 11% of plan.

HPwES:

- Cumulative MWh savings 34% of plan.
- Cumulative DTh savings 23% of plan.

RNC:

- Cumulative MWh savings 8% of plan.
- Cumulative DTh savings 6% of plan.

There was no full funding in September, so the energy savings is less due to that.

Hurricane Sandy Response Update

WARM Advantage : 4 rebates, \$2,300 total incentives paid.

COOL Advantage: 1 (2 including central AC), \$1,200 incentives paid.

Commercial & Industrial Programs - TRC

The new applications are available, and the notice of changes is posted to website. A proposal was sent out for comment (regarding incentivizing 2' and 4' LED linear tubes).

Fiscal Year 2014 Program Final Results

Retrofit:

- Cumulative lifetime MWh savings 84% of goal.
- Cumulative lifetime DTh savings 42% of goal.

5,051 applications received in FY14, 1,070 applications received in June 2014.

2,563 projects completed and paid. 98% of the budget committed/paid.

Carl Teter notes that the savings goals did not vary along with the budget revisions that took place at the end of the fiscal year.

Question by Sherri Jones: Is the gas savings low, then, because of the savings data not having been revised?

Answer by Carl (paraphrased): No, I don't think that's the case—there could be a little bit of an adjustment, but we do not necessarily see as much participation for that type of equipment.

New Construction:

- Cumulative lifetime MWh savings 15% of goal.
- Cumulative lifetime DTh savings 1% of goal.

110 applications received in FY14. 39 applications completed and paid. 91% of budget committed/paid.

Sherri Jones asks for clarification on low savings number versus high budget commitment.

Carl: Some new construction projects have been committed, but not yet installed. In FY15, we've changed the approach from numbers goals based on installed measures, to goals based on committed *and* installed projects (due to the long lead time with certain projects).

Direct Install:

- Cumulative lifetime MWh savings 88% of goal.
- Cumulative lifetime DTh savings 221% of goal.

1,304 applications received in FY14. 232 new applications in June (record high number). 95% of budget committed/paid.

Direct Install contractors are adept at selling the whole-building approach, so thermal savings in this area were high.

Combined Heat & Power/Fuel Cells:

- Cumulative lifetime MWh savings 41% of goal.
- Cumulative lifetime DTh savings 47% of goal.

27 applications received and 7 applications approved. -100% of goal. 8 purchases approved. 7 installations approved. 20% of budget committed/paid.

Pay for Performance Existing Buildings:

- Cumulative lifetime MWh savings 45% of goal.
- Cumulative lifetime DTh savings 66% of goal.

129 applications received and 43 ERPs approved. -88% of goal. 48 installations approved. 26 performance benchmarks approved. 83% of budget committed/paid.

Carl Teter: We are taking another look at the ERP process (ERP can delay installation).

Pay for Performance New Construction:

- Cumulative lifetime MWh savings 18% of goal.
- Cumulative lifetime DTh savings 6% of goal.

19 applications/15 ERPs approved. -88% of goal. 5 installations approved. 1 commissioning report approved. 86% of budget committed/paid.

Local Government Energy Audit:

305 new applications were received across 59 applicants.

- Municipality (13); School District (23); County (6); MUA (1); Housing Authority (1); University/College/Community College (2); Non-Profit (13)

Audit Reports (1 audit report = 1 building/project)

- 310 audit reports approved
- 93% of the budget committed/paid.

Large Energy Users Program:

- Cumulative lifetime MWh savings 294% of goal.
- Cumulative lifetime DTh savings 152% of goal.

14 applications received. 11 FEEPs approved. -100% of goal. 54% of budget committed/paid.

State Energy Program (SEP) NON IOU:

- Entire budget expended over 21 applications.

Fiscal Year 2015 Program Results to Date

Retrofit:

- Cumulative lifetime MWh savings goal percentage: 68% (committed), 29% (installed).
- Cumulative lifetime DTh savings goal percentage: 84% (committed), 6% (installed).

1,655 applications received. 650 completed and paid. 75% of budget committed/paid.

Sherri Jones: We are already at 75% of budget?

Mike Ambrosio: That's not surprising, because that commitment number tends to stay steady throughout the year due to the length of install time.

Carl: Some portion of that is also carryover commitments from the end of last FY.

New Construction:

- Cumulative lifetime MWh savings goal percentage: 7% (committed), 26% (installed).
- Cumulative lifetime DTh savings goal percentage: 24% (committed), 0% (installed).

31 applications received. 3 applications completed and paid. 47% of budget committed/paid.

Direct Install:

- Cumulative lifetime MWh savings goal percentage: 35% (committed), 37% (installed).
- Cumulative lifetime DTh savings goal percentage: 58% (committed), 44% (installed).

340 applications received. 356 applications committed/paid. 56% of budget committed/paid.

July 2014 started the fiscal year strongly with a record \$6.2M in commitments in one month. In addition, numerous large entities (i.e. Rutgers University and McDonalds) have begun taking advantage of the program.

Combined Heat & Power/Fuel Cells:

- Cumulative lifetime MWh savings goal percentage: 0% (committed), 0% (installed).
- Cumulative lifetime DTh savings goal percentage: 0% (committed), 0% (installed).

11 applications received. 2 applications approved. -13% of goal. 11% of budget committed/paid.

Pay for Performance Existing Buildings:

- Cumulative lifetime MWh savings goal percentage: 10% (committed), 2% (installed).
- Cumulative lifetime DTh savings goal percentage: 4% (committed), 19% (installed).

13 applications received & 4 ERPs approved. -7% of goal. 8 installations approved. 2 performance benchmarks approved. 59% of budget committed/paid.

Pay for Performance New Construction:

- Cumulative lifetime MWh savings goal percentage: 5% (committed), 0% (installed).
- Cumulative lifetime DTh savings goal percentage: 26% (committed), 0% (installed).

7 applications approved. 2 ERPs approved -6% of goal. 2 installations approved. 1 commissioning report approved. 58% of budget committed/paid.

Local Government Energy Audit:

22 new applications have been received across 6 applicants: Municipality (4); School District (1); Non-Profit (1)

Audit Reports (1 audit report = 1 building/project)

- 50 audit reports approved. 39% of budget committed/paid.

Large Energy Users Program:

- Cumulative lifetime MWh savings goal percentage: 5% (committed), 6% (installed).
- Cumulative lifetime DTh savings goal percentage: 0% (committed), 0% (installed).

3 applications received. 2 FEEPs under review. 2 installation submissions under review. 51% of budget committed/paid.

State Energy Program (SEP) Non-IOU:

- 12 Direct Install applications committed. 2 applications invoiced. Remaining funds: \$26,604.07.

Comment by Mike Ambrosio: We'll need to then begin the discuss shutting that down.

Hurricane Sandy Response Update Through September 2014

2,543 applications received.

1,368 applications committed (total incentive value of \$13,509,180.52).

733 applications approved for payment (total incentive value of \$6,437,878.40).
\$24,751,289.52 incentive value estimate for all received applications.

Environmental Benefits for FY15 C&I Programs

- Saved 648,385 metric tons of carbon dioxide.

Utility Updates

Anne Marie Perracchio: NJNG is launching the annual Save Energy/Save Money Sweepstakes. SAVE GREEN is in the process of locking down who will do the evaluation. We also opened up Home Energy Score to a few contractors to allow customers to re-score their home after projects are completed. Manual J training takes place on October 24th. 60 contractors attended training for new programs.

Bruce Grossman: Similarly, at SJG, we are looking at putting something together to solicit companies to do energy evaluations. The "simple is beautiful" program launch is in effect as of late August/early September. This program aims to remove confusion through a specific website meant to simplify and improve customer understanding of the energy programs. So far, there has been much HPwES contractor participation.

Elizabethtown gas has begun a board-ordered process of evaluation.

CuGreenLoans

Program is tracking well. Contractors are working hard to get customers enrolled, and customer participation is trending up.

September 16th is the HPwES Paperwork and Co-Op Advertising webinar. October 1st is the Air Sealing and Insulation Identifying Opportunities webinar. October 13th is Program Overview Training (in person).

Other Business, Next Meeting

- Speaker on Resource Value Framework is in the process of being secured.
- Sustainable Jersey for Schools has launched.
- Next meeting takes place on November 13th, 2014.

Name	Company	In Person	By Phone
Adams, Ben	MaGrann Assoc.	X	
Ambrosio, Mike	AEG	X	
Burke, Kevin	Honeywell	X	
Carpenter, Joseph	NJ DEP	X	
Chevalier, Shirley	ACE	X	
DeLuca, Brian	TRC	X	
Desimpel, Tom	CMC Energy	X	
Ellman, Susan	NJNG	X	
Fisk, Andrew	CSG	X	
Foster, Rebecca	VEIC		X
Georgi, Anthony	Honeywell	X	
Grossman, Bruce	SJG	X	
Haddock, Kyle	EIC, Comfort Home	X	
Jones, Sherri	BPU	X	
Lupse, Janja	CSG	X	
Marx, Rick	EAM Assoc.		X
McDowell, Andrew	Honeywell	X	
Miller, Ashley	TRC		X
Perracchio, Anne-Marie	NJNG	X	
Rogers, Dan	ICF International	X	
Ryan, Jerry	NJNG	X	
Stewart, Patrick	ACCA NJ	X	
Tantillo, Cheryl	Elizabethtown Gas	X	
Teter, Carl	TRC	X	
Thompson-Powell, Theresa	CMC Energy	X	
Valora, Sam	SJG	X	
Wetzel, Linda	AEG		X