

**New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting**

November 7, 2013

9:30 to 12:00 noon

Location:

New Jersey Board of Public Utilities

44 South Clinton Avenue

Trenton, NJ 08625-0350

1st floor Multi-Purpose Conference Room

Program Coordinator and Regulatory Updates

- Updates on Filings, Board Orders and Regulatory Items

M. Ambrosio (AEG) – At the October Board Agenda meeting, the CHP program was approved. The program has been reopened, with applications available on the website. Projects under 1MW will be processed by TRC and larger than 1MW projects will be managed by Staff with Sherri Jones as the point of contact.

- Discussion of NJCEP Program Administrator RFP / Transition Status

M. Ambrosio (AEG) – No updates to report. The protest is pending and Staff is awaiting a decision from Treasury. The Program Coordinator and Market Manager contracts were granted extensions thru 12.31.13.

- FY14-FY17 Funding Levels

M. Ambrosio (AEG) – Board set funding level for FY'14. The straw proposal for fiscal years '15-'17 will be developed in early 2014. Three new working groups have been convened and will have final reports by the end of the year/early 2014. Staff is looking for input from the groups to help establish funding levels for the next three years.

Request for Comments on Proposed Revisions to FY14 Programs and Budgets

- Proposed budget revisions

M. Ambrosio (AEG) – The Board set FY'14 budgets back in June, which was an 18 month budget with estimated expenses. A true-up will occur between actual vs. estimated expenses. Mike reviewed the spreadsheets which had been distributed earlier.

The State FY budget appropriated \$191M from NJCEP program:

\$152,185 M Transfer to General Fund

\$42.5 M Transfer to State Utility Costs.

Total \$194M

Transfer from SACP \$32.8M

Transfer from NJCEP Trust Fund \$161.8M.

Legislative action \$161M lapsed to General Fund.

Staff remains firmly committed to evaluation efforts. The Evaluation Committee is meeting and will make recommendations. No RFPs have gone out yet.

In general, budgets are going to be tight however Staff believes there is enough money to get through the year. There are no proposed changes to rebates or programs proposed at this time. If and when appropriate, Staff will take action to reallocate funding among programs.

The renewable program budget will be also tight, with \$11M in commitments out of a \$19M budget. Admin costs associated with SRECs \$2.5M for a biomass solicitation and \$2.5M for energy storage solicitation.

P4P NC Program hasn't been spending at a brisk pace. It is anticipated that the Retrofit program will be tight given commitments. Staff will monitor closely to see if funds need to be transferred.

EE budget – how much is needed to get through remainder of year. HPwES and P4P will be tight. HVAC \$16.9M budget – this should be sufficient along with RNC. EE products – there is some flexibility. HPwES has been picking up momentum. Total budget for EE \$89M – a few million less than last year's spending levels.

CHP Fuel Cells – Energy Infrastructure Trust. \$35M will be removed from the budget. Staff is waiting for guidance on Federal Funding. Mike Winka is working with the Hazard Mitigation Grant Program which recently issued an initial round of federal funding of \$25M for backup generation that could include CHP. The recipients include 150 critical facilities including police stations, hospitals, fire houses, etc. and the backup generation could help them operate during a catastrophe. The grant can be combined with NJCEP incentives where appropriate.

In addition to the budget modifications that were issued for public comment, there were two program changes:

- 1) CHP – There is an existing program requirement relating to annual system utilization, however no minimum run time hour requirement was specified in the program guidelines. TRC has used 6,000 hours as the minimum annual threshold and all recently approved projects have met this criteria. TRC is proposing to add language to the guidelines to say that systems must operate a minimum of 5,000 full load equivalent hours per year. The OCE could grant exceptions for critical facilities <5,000 hours, assuming there is a minimum of 3,500 hours. No comments were made.
- 2) P4P NC – This program originally had a requirement that the Energy Reduction Plan had to be approved before measures were installed. The FY14 compliance filing revised this policy to give customers more flexibility and was applicable to new projects. It has become evident that this new policy is still too restrictive and therefore there is a proposal to eliminate the pre-inspection and allow NC projects to go ahead at their own construction schedule. This change would apply to both new and existing applications. Invoices for qualifying measures would not be able to pre-date the initial application receipt date. There were no comments in regard to this proposed program change.

Public comments due on proposed budgets, CHP, and P4P NC Program are due on November 15 and will be presented at the December Board Agenda meeting.

Residential Program

Honeywell Team – K. Burke

- Fiscal Year 2014 Program Results
 - HVAC Cool Advantage update for October.

PTD Completions 1,018 vs. goal of 533. 191% over goal.
HVAC Warm Advantage update for October.
PTD Completions 4,927 vs 3,800 goal.
Total HVAC 137% of program goals.

Anne-Marie Perrachio (NJNG) – asked impact of FY Goal versus strong performance of programs.

Joe Gennello (HW) responded - Running ahead of goals and will be monitoring closely for funding levels.

M. Ambrosio (AEG) – Should be enough \$ in budget for the year.

- EE Products
Washers – 5,341 PTD completions versus goal of 10,000
Sears just came on as Instant Rebate
Fridges – 2,343 PTD completions versus goal of 10,000
Sears just came on as Instant Rebate

CFLs – PTD goals 1.313 M and we are at goal of 1.35M

Question from phone – is there an LED program?

Response – update nomenclature on slide to show CFLs/LEDs.

Fridge Recycling – PTD 3,225 goal vs 2,837 Oct.

Set –top box – PTD 5,000 goal vs 14,000 280% of program goal.

- RNC – Completions PTD Goal of 810 versus 831. 103% of goal.
M. Ambrosio (AEG) - Is the market picking up for new homes?
Mark Magrann (Magrann) – yes, picking up. A lot of Multi-family. 5 – 10% increase in housing each year going into 2018. Mark noted there is still no update from DCA.
- HPwES – Tier 2 enrollments
PTD goal of 82 versus 136 actual.
Tier 2 Completions – Goal of 59 vs. 77
- HPwES – Tier 3 enrollments
PTD goal of 1,529 vs. 2,039 actual. 133% of goal.
Tier 3 Completions – Goal of 1,358 versus 1,649 121% of goal.

Question – is there any cause for alarm with regards to budget?

J. Gennello (HW) – We don't believe so. There are a number of different levers for this program including utility financing and the introduction of some loan elements (credit unions).

It was noted that Staff constantly monitors the budgets. Some programs are trending above goal and some trending below goal. We don't have the luxury we have had the last couple of years of having excess money. One option on the table if funding is tight at the end of the FY is to hold projects received in June and approve them in July. That way we can avoid a disruptive program shutdown. We want to spend all the money this year.

Janja Lypse – CSG HPwES Results

Nov 2012 to Oct 2013

634 Enrollments in October (record high)

471 Completions in October (record high)

1,800 Competitions in FY'14. 1/3 of the year – more than 4,000 completions anticipated.

Financing Activity – EFS Loans. 82% of all projects include financing. 40% if EFS and the rest is NJNG OBRP. SJG should be implementing theirs soon.

A. *Perrachio (NJNG)* – customers like the NJNG OBRP loan product. Driven by payment history to NJNG. Simplicity is appealing to customers.

J. *Gennello (HW)* Do contractors get paid quicker from your program vs. NJCEP?

A. *Perrachio (NJNG)* – automating the process should begin to make it more efficient.

J. *Lupse (CSG)* – Some customers are getting denied from NJNG OBRP but qualifying for EFS, giving them another way to qualify for HPwES.

SEP Funding - \$246K left in Available funds. 47 projects total.

Liz Teng (BPU) – are there enough funds available?

J. *Lupse (CSG)* – at least for the next 4 to 5 months.

Pipeline – 2,000 projects – very strong.

Jill Sherako – Eastern Heating & Cooling Council (EHCC) Update

EHCC has had a very successful year, and is on track to train 2,400 to 2,500 technicians through their various courses. To date 2,105 contractors have attended training.

J. *Gennello (HW)* – In the HVAC program we offered an incentive towards the installation of both qualifying heating equipment and a qualifying water heater to help alleviate orphan water heaters. He noted there is confusion in the market place on a single piece of equipment that provides both heating and water heating. This unit does not meet NJCEP criteria of being a qualified heater AND qualified water heater and several applications have been rejected. EHCC will mention this topic in an upcoming newsletter to help educate the contractors. Joe will share information on these units with the gas utilities as well.

Commercial & Industrial Program

TRC Team

Powerpoint Presentation C&I Market Manager EE Committee Meeting Presentation

• Fiscal Year 2014 Program Results

- Direct Insall – Trending higher than historical levels.

93 New apps received.

88 new approvals/commitments. (\$2.1 M)

98 projects approved for payment. (\$1.7 M)

- Local Gov't Energy Audit

6 new projects received

5 RFPs approved

- 6 new project approvals/commitments
- 46 projects approved for payment (\$208K)
- P4P – Existing Buildings
 - 5 new apps received
 - 1 new ERP received
 - 1 ERP approved (\$580k incentive value)
 - 2 Installations approved
- P4P – NC
 - 2 new apps received
 - 1 new ERP received
 - 1 new ERP approved (\$290K incentive value)
- CHP – FY'14 program approved and available on NJCEP website.
 - Small-scale CHP
 - 10 apps approved, 3 under review, 10 cancelled/rejected or expired
 - A. Ferracio (NJNG)* – any reason as to why projects died? Carl can get that info.
 - M. Ambrosio (CSG)* – are there any CHP apps left in the P4Performance program?
 - Carl can get that info.
- LEUP
 - 4 Enrollments
 - Carl confirmed that 2011 applications are now complete. The FY14 open enrollment period is open and four applications have been received to date.
- SEP Non – IOU
 - \$330K available funds
 - 11 Direct Install apps committed (\$232K)
 - 3 apps invoiced (\$20K)
 - Remaining Funds (\$78K)
- Hurricane Sandy Response Update
 - 1,254 apps received
 - \$6.2 M in funds committed

Utility Updates

Elizabethtown Gas – Cheryl England reported that ETG received approval on September 1. They are currently promoting WARM Advantage along with HPwES. They are looking at a financing piece for existing contractors to use which is outside their filing. They are planning quarterly contractor meetings.

New Jersey Natural Gas – Anne Marie reported that they have made portal enhancements to allow customers and contractors to view the status of applications. They are piloting it with seven contractors. NJNG is also training contractors on Energy Saavy. In regard to the DOE Home Energy Score, NJNG is leading the country in number of homes scored and are working w/DOE and Yale to incorporate some behavioral elements for January 2014.

South Jersey Gas – Sam Valora stated that SJG is looking to launch a loan product in December. They are sponsoring an Energy Fair in Cape May County for contractors and residential customers.

Other Business, Next Meeting

Elizabeth Teng (BPU) – PSE&G had a meeting w Rate Counsel. They are working on an extensions for three programs, as well as additional funding.

Sherri Jones (BPU) – To date over \$12M in enhanced rebates have been committed or paid in support of Sandy rebuilding efforts. The ACEEE scorecard was released and NJ was ranked #12 (tied with 4 other states).

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 Hosted by Honeywell – NJBPU Trenton**

Name	Company	Please check off	
		In Person	By Phone
Ackerman, Elizabeth	BPU		
Adams, Ben	MaGrann Assoc.		
Albucher, Chelsea	Consultant		
Ambrosio, Mike	AEG	X	
Attardi, Davide	Facility Solutions Group		
Bachmann, Joanne	CSG		
Barnes, Anthony	EnergySavvy		
Berlin, Jake	Willdan Energy Solutions		
Betzel, Ming	Green Tech Energy		
Birch, Ed	Strategic Energy Group		
Bitner, Angela	EFS		
Bourbakis, Chris	Constellation Energy		
Bovio, Brian	Bovio Heating		
Bowen, Mark	Franklin Energy		
Boyd, Mary Jo	CSG		
Brooks, David	Gibbons P.C.		
Bryant, Elaine	Birchview Efficiency		
Burack, Jefferey	Comverge		
Burke, Kevin	Honeywell	X	
Camarota, Tony	EPOX-Z		
Carpenter, Joseph	NJ DEP	X	
Chaplin, Dawn	Honeywell		
Chiu, Susanna	PSE&G		
Cinelli, Jim	Pepco Holdings		
Colander, Brandi	Opower	X	
Costenaro, David	ENEROC		
Cristofolo, Angelo	Air Group LLC		
Daniels, Kwesi	NJ HFMA		
Davis, Asa	Bloom Energy		
Deangelis, Diana	Pepco Holdings		
DePino, Kristin	CSG		
DeLuca, Brian	TRC		
Dempsey, Peter	South Jersey Energy Service Plus		
Desimpel, Tom	CMC Energy		
Deubie, AJ	New Millennium Lighting		
Dewitt, Frank	Alternative Energy Assoc.		
Dietterick, Jason	The Stone House Group		
Dolan, Brian	Intellidyne		
Donadio, Tom	JCP&L		
Donohue, John	On behalf of Fuel Merchants Assoc		
Dubos, Tom	Strategic Energy Group		
Dumchus, Linda	NJR Home Services		
Ellman, Susan	NJNG		
Esser, Danielle	NJ HFMA		
Evans, Deane	NJIT		

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Evans, Frank	Comverge		
Evans, Frank	WillCav	X	
Fallick, Jesse	Donnelly Energy Solutions		
Favey, Patrick	DOE		
Felder, Frank	BPU		
Fennell, Mark	UGIPS		
Figuera, Gabrielle	Devan Mosccc Givclitta and Zarillo		
Firari, Fairlie	TRC		
Fischer, Scott	Ciel Power LLC		
Fisk, Andrew	CSG		
Flannery, Mike	MaGrann Assoc.		
Flynn, Don	Nexant, Inc.		
Fontaine, Greg	A&E Construction		
Foreman, Sheila	One Change		
Foster, Rebecca	VEIC	X	
Fox, Eileen	GreenTech Energy Services		
Frederick, Rachael	Apojsce Interactive		
Gennello, Joe	Honeywell	X	
Georgi, Anthony	Honeywell	X	
Giblin, Noreen	Gibbons P.C.		
Gordon, Angela	Lockheed Martin		
Graham, Marianne	ICF working in support of EPA ENERGY STAR ®		
Grossman, Bruce	SJG		
Grossman, Kate	Greenwich Energy Solutions		
Gubb, David	CleanEdison		
Guhl, Christine	Sierra Club, Beyond Coal Campain New Jersey		
Haaz, Frank	Blue Sky Power		
Haddock, Kyle	EIC, Comfort Home	X	
Haider, Renne	Sustainable Jersey		
Hambriic, Steve	Opower		
Hauber, Fred	Eastern Energy Services, Inc.		
Hayes, James	The Stone House Group		X
Hazard, Caroline	SRA International Inc		
Heise, Dani	Techniart – Energy Saving Outlet		
Hendricks, Mahogany	BPU	X	
Hillsinger, Will	TRC		
Hinkle, Barry	Lockheed Martin		
Hoff, Kim	CSG		
Holland, Dave	Honeywell		
Holmes, Bill	SJG	X	
Hunter, Scott	BPU	X	
Hurlburt, Denise	SJG		
Hutchinson, Ed	Hutchinson Mech. Services		
Ingelido, Richard	ConEdison Solutions		
Irlacher, Dana	NJ HFMA		

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Janowiak, Ed	EHCC		
Jenkins, Jeff	Jenkins Jr. Plumbing		
Johnson, Cindy	CSG		
Jones, Sherri	BPU	X	
Kace, Joshua	CrunchEnergy		
Kaplan, Matthew	Revireo		
Kass, Lloyd	Willdan Energy Solutions		
Kliemish, Roger	TRC		
Klockner, David	Eneractive Solutions		
Kudrick, Bob	NJNG		
Kuhn, Nikki	VEIC		
Kurdian, Grace	Watson, Farley and Williams		
Lang, Nick	VEIC		
Langford, Carolyn	Willdan Energy Solutions		
L'Ecuyer, Michael	ICF International		
Lehrer, Ariana	Next Step Living		
Lesch, John	Eneractive Solutions		
Lewandowski, Kurt	NJ Rate Counsel		
Liaukus, Christine	Center for Building Knowledge		
Lupse, Janja	CSG	X	
MacCarrigan, Fran	Tozour Energy Systems, Inc		
Magrann, Mark	MaGrann Assoc.	X	
Makowiecki, Colleen	FirstEnergy Corp.		
Manley, Mark	PSE&G		
Manning, Jamison	FirstEnergy Corp.		
Markwood, Scott	O&R		
Marshall, Bob	NJ Energy Coalition		
Martinelli, Emil	SJESP / Bradley's MDI		
Marx, Rick	EAM Assoc.		
McAllister, Bob	McAllister		
McCleery, Doug	MaGrann Assoc.		
McShea, Anne Marie	BPU		
Menk, Jonathan	Blue Sky Power		
Meyer, James	Riker Danzig		X
Miller, Ashley	TRC		
Mitchell, Allison	BPU		
Miuecio, Nick	1 LLC		
Murdach, Jay	Well Home		
Napoleon, Alice	Synapse Energy Economics Representing Rate Counsel		
Nathanson, Gabe	NJ HFMA		
Navarra, Joe	HVAC Consulting		
Neubauer, Franklin	Core Metrics		
Nole, Meredith	American Efficient Lighting		
O'Brien, Nancy	EFS		
O'Connor, Daniel	Trane Turnkey/Energy Services		

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O'Donnell, Tony	Sustainable Jersey		
Olsen, Art	SmartWatt Energy, Inc.		
Orlando, Nicole	DH Services Group		
Paine, Karen	TRC		
Palmer, Bill	Kamson Corp	X	
Parlapiano, William J. III	PECI		
Patraju, Ravi	NJ EPA		
Payne, Cliff	CMC Energy		
Pearson, Arthur	The E Cubed Company		
Pecora, Tom	Honeywell		
Perracchio, Anne-Marie	NJNG	X	
Pierce, Barbara	NJ EDA		
Pierce, Bob	EDI		
Pollack, Avi	Energy Analysis Group		
Port, Darren	DCA		
Price, Jim	Freedom Solar		
Prowse, Gwen	NJ HFMA		
Prusik, Joseph	PSE&G		
Pugliese, Tony	ETG		
Puma, John	Kamson Corp		
Rahikainen, Anne	Renewable Frontiers Consulting LLC		
Reilly, Frank	TRC		
Reinstadtler, Thomas	RJ Walsh Assoc		
Reisman, Ron	VEIC		
Rhodie, Alan	Tristate Light and Energy		
Richman, Josh	Bloom Energy		
Ringhof, Susan	PSE&G		
Rivera, Alma	BPU		
Roberts, Terri	PSE&G		
Rohmund, Ingrid	ENEROC		
Ross, Robb	Easy Energy USA		
Rozanova, Valerie	TRC		
Ryan, Jeff	NJNG		
Savkovich, Marko	American Efficient Lighting		
Schmid, Tim	E-Finity Distributed Generation, LLC		
Schmidt, Ed	MCR		
Schmidt, Vicky	TRC		
Schoen, Scott	Beehive Htg & Clg		
Seelaus, Andrew	EMC2 Development Co. Inc		
Senski, Robert	South Jersey Energy Service Plus		
Shaikh, Siraj	JCP&L		
Shamlan, Karine	Clean Markets, LLC		
Sherako, Jill	Eastern Heating and Cooling Council	X	
Sherwood, Robin	EFS		
Siai, Michael	EELC, Newark		

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Siebens, Chris	FirstEnergy Corp.		
Siegel, John	Quanta Technologies, Inc		
Sietz, Gregory	NJNB		
Sillars, Scott	Isles		
Slaten, Marisa	Public Utilities Section, Division of Law		
Solomon, Randy	Sustainable Jersey		
Sparrow-Hood, Walt	PSE&G	X	
Steigelmann, Bill	Lockheed Martin		
Steindel, Sarah	NJ Division of Rate Counsel		
Stewart, Patrick	ACCA NJ		
Stone, Gordon	BPCA - NJ / Home Energy Matters		
Sutcliffe, S. Lynn	EnergySolve LLC		
Swift, Don	CSG		
Szarawarski Jr., Thomas	Eneractive Solutions		
Takahashi, Kenji	Synapse -Energy		
Tantillo, Cheryl	Elizabethtown	X	
Teague, John R.	BPU		
Teng, Elizabeth	BPU	X	
Tesoriler, Steve	RRS		
Teter, Karl	TRC		
Tobian, Carol	National Resource Management, Inc.		
Torsello, Lou	O'Neill Contracting		
Trivedi, Paresh	BPU		
Trzaska, Jaci	Rutgers		
Valora, Sam	SJG		
Van Decker, Gerald	RenewABILITY		
Vieira, Mario	New Millennium Lighting		
Vogel, Mike	Elizabethtown		
Waldman, Jeff	BPCA - NJ		
Walter, Xavier	BPCA - NJ		
Ward, Lisa	Clearedge Power	X	
Weiner, Elizabeth	CSG		
Weitzel, Charles	Free Lighting Corp.		
Wetzel, Linda	AEG	X	
Whited, Melissa	Synapse Energy Economics Representing Rate Counsel		
Winka, Mike	BPU		
Wolfe, Sharon	BPU		
Wong, Douglas	BC Express Inc		
Xenakis, Thomas	Concord Engineering		
Zeglarski, Sandy	NJ EDA		
Zoppa, Bob	CSG		
Zukas, Diane	TRC		