

New Jersey's Clean Energy Program™
Energy Efficiency Committee Meeting
October 13, 2015
BPU, Trenton

Program Coordinator and Regulatory Updates

Elizabeth Ackerman, Sherri Jones, Mike Ambrosio

On Thursday, there will be 4 items going to the Board Agenda:

- Intent to award the new Program Administrator contract.
- Staff recommendation that the Board-approved Investor Confidence Project (ICP) pilots for one year, aligning with the P4P Program as an alternative compliance plan.
- Expand eligibility to LGEA Program to state agencies in order to better align LGEA with ESIP.
- Request for delegating certain LED fixtures from Custom to Prescriptive.

Regarding the pending transition, current contracts are extended through December 31 2015. The NJCEP is fully funded through FY16; however, certain Programs—such as Direct Install—will experience a planned interruption due to the structure of the contracts being coterminous with TRC's. The DI contractors have been allocated 6 months worth of DI funds, and they have been encouraged to commit all of those funds for any projects that are able to be completed by December 31st 2015.

The budget for CHP is nearly fully committed and a hold on future commitments may occur.

Marketing Plan during Transition

Approach during transition for marketing efforts:

- Limit amount of direct marketing.
- Continue broad advertising (i.e. radio spots, digital marketing, and print).

Anne-Marie Peracchio suggests having a fact sheet at upcoming tradeshow to limit rumors surrounding the DI contracts.

Updates will be posted to website to inform stakeholders of the latest news.

Marketing Presentation

Amanda Hallock - Honeywell

The focus of the FY15 marketing study was based on NJ-based market research geared towards homeowners. The survey asked 2 main questions—are residents aware of the NJCEP? If so, what do they perceive the incentives to be?

- There is a 46% awareness of the NJCEP among homeowners.
- 47% are aware of rebates/incentives.
- 44% believe largest benefit of Program participation is lower utility bills.
- 33% prefer direct mail advertising.
- 86% believe reducing energy use is important.
- 60% would consider participating and 80% of past participants would participate again.

Objectives of the Study

- Drive participation/increase participation.
- Educate residents on energy efficiency through marketing, as well as educating contractors to pass on knowledge of the Programs.

Tactics

- Sponsorship gains:
 - “Trenton Thunder” team showed a video of racing refrigerators in between innings at game that allowed chosen audience members to compete in a contest.
- Utility Outreach.
- Movie Theater Advertising:
 - Ad played in 19 movie theaters, selected for highest income/homeownership rates and reached 180,000 residents.
- Umbrella video:
 - 1 minute video being promoted through utility social media channels, NJCEP social media, public access channels, and through Sustainable Jersey.
- Radio advertising.
- Direct Mail targeting past participants, new movers, and solar participants.
- Engage website audience (average time on website is 5 minutes, with low bounce rates).
- Digital Marketing:
 - Contextual search
 - News sites
 - Retargeting ads to residents who visited site
 - NJ.com sponsored content
 - OwnerIQ to target appliance shoppers
 - Facebook

Results

- The campaigns increased web traffic and inbound calls.
- Exhibited at 13 more events than previous year.
- Drove over 14.5K clicks to website.

ACI Mid-Atlantic Regional Conference
October 20-21 2015, Crowne Plaza, Cherry Hill

- The conference will cover how contractors made the transition to HPwES (business model changes, how to promote EE Programs, etc.), Retrofit strategies in Multifamily buildings, and why air sealing is important.

Investor Confidence Project (ICP)

Mary Barber, Environmental Defense Fund

The Environmental Defense Fund began exploring years ago different barriers to the energy efficiency market; and what is the disconnect between developers and capital providers? The main issue was a lack of standardization among projects, creating uncertainty in the market. The ICP works to generate confidence by identifying a set of protocols and assembling these into a road map for developers to follow. The protocols used are already-existing industry standard best practices. P4P is first state program to formalize the pilot, which will have national implications as it rolls out and results are analyzed. New Jersey is the first to formalize an ICP and offer an alternative compliance path for applicants.

Closing comment by Mike Ambrosio: Assuming the pilot has been approved by Thursday, a Program announcement and applications should be “on the street” by the next board meeting.

Residential and Renewable Programs

Honeywell Team

FY 16 Program Results - Numbers through September

Home Performance

- Record number of enrollments with 1,146 completions (Goal of 3,750)
- 36 multifamily completions (Goal of 3,750)

Question by Mike Ambrosio: There was an expected surge before the lowered incentive levels, and an anticipated lull—but the applications have been still coming in strong?

Answer: Yes, the applications have still been coming in strong at the lowered rebate level. Some of this was due to NJNG’s OBRP Program also changing offerings, but at a later date than NJCEP. There will be a truer sense of the numbers next month.

Residential New Construction:

- 2,638 enrollments (Goal of 5,525) and 378 completions (Goal of 2,665).

Energy Efficient Products:

- 2,839 washer completions (Goal - 4,416)/1,707 refrigerator completions (Goal - 883).
- 48,125 lighting completions (Goal of 737,117) and 2,405 recycled refrigerators (Goal of 1,708)

Warm/CoolAdvantage:

- 1,076 cool completions (Goal of 2,705).
- 4,565 warm completions (Goal of 4,031).

Hurricane Sandy:

- Total incentives paid out for Sandy-eligible projects: \$4,051,400.00

Home Performance – CuGreenLoans:

- Spike in enrollments.
- 80% of all enrollments are using financing.

Question by Anne-Marie Peracchio: Looking at the chart, is there an increase in people who did not take financing?

Answer by Janja Lupse (paraphrased): There is an issue with the chart, or the lack of multifamily participation is affecting the numbers.

Commercial & Industrial Programs

TRC Team

FY 16 Program Results

Retrofit:

- Electric savings 45% of goal (installed)/55% of goal (committed).
- Gas savings 10% of goal (installed)/40% of goal (committed).
- 1,369 applications received and 1,105 application completed & paid.
- 82.6% of budget committed with healthy participation seen overall.

Question by Mike Ambrosio: Did you receive a wave of new applications, as well, due to the Program changes?

Answer by Brian DeLuca: Yes—heavily lighting.

New Construction:

- Electric savings 1% of goal (installed)/39% of goal (committed).
- Gas savings 43% of goal (installed)/82% of goal (committed).
- 12 applications completed & paid
- 21 applications approved with 54.4% of budget committed.

Direct Install (DI):

- Electric savings 36% of goal (installed)/46% of goal (committed).
- Gas savings 35% of goal (installed)/55% of goal (committed).
- 393 applications received and 344 applications completed & paid.
- \$3.8 million dollars were paid out during September.
- 61.5% of budget committed/paid.
- Temporary interruption of DI Program in effect, associated with transition.

CHP/Fuel Cell:

- Electric savings 12% of goal (installed)/50% of goal (committed).
- Gas savings 18% of goal (installed)/26% of goal (committed).
- 9 applications received, 7 applications approved, 1 installation approved.
- 82.1% of budget committed.

Pay for Performance Existing Buildings:

- Electric savings 41% of goal (installed)/20% of goal (committed).
- Gas savings 68% of goal (installed)/18% of goal (committed).
- 18 applications received and 17 ERPs approved.
- 6 performance benchmarks approved with 68% of budget committed/paid.

Pay for Performance New Construction

- Electric savings 29% of goal (installed)/6% of goal (committed).
- Gas savings 17% of goal (installed)/12% of goal (committed).
- 7 applications received, 1 ERP approved, 4 installations approved.
- 66% of budget committed/paid.

Local Government Energy Audit:

- 10 new projects received from 3 applicant entities:
- 2 RFPs approved, representing 13 buildings (1 ESIP).
- 34 audit reports approved with 33% of budget committed/paid.

Large Energy Users Program:

- 5 new enrollment applications received.
- 3 approved enrollments, 1 DEEP approved, 1 FEEP approved.
- 1 installation approved with 59.4% of budget committed/paid.
- Program overall is tracking behind. There will be outreach to prior participants in order to drive more applications.

SEP-NON-IOU:

- 15 applications committed (\$457,109.93).
- 2 applications invoiced (\$17,571.74).
- 0 applications paid.
- Only \$1,360.25 remaining of budget (a notice has been posted to the website).

Sandy Relief:

- 566 applications committed; total incentive value of \$9,175,613.
- 1,534 applications approved for payment; total incentive value of \$15,278,915.33.

Question from Charlie Fox from Bloom Energy (on the phone): I am confused about the number of received applications on slide 6 (CHP)—is that reflecting 9 applications received by TRC, or 9 applications received by the BPU for review? Is there another pocket of applications received by BPU?

Answer by Carl Teter: The 9 reflects the number of applications received by TRC, through the month of September.

Comment by Charlie Fox: Where the slide says “1 installation approved”—I thought there were 4 approved, set for the Board meeting?

Carl Teter: The “installation approved” refers to a project that’s been installed and completed projects. There are 4 set on the Board agenda for the approval of commitment of funds.

Additional question by Charlie Fox: As an applicant to the Program, how would I interpret the remaining \$3.6 million in the budget?

Answer by Mike Ambrosio: The slides do not show full story as you understand it—while there is \$3.6 million remaining of the budget, there is currently more than that in submitted projects that TRC is working through moving along in the pipeline.

Carl Teter (paraphrased, after more discussion): We are working through the applications by order of received.

Comment by Mike Ambrosio: The numbers going forward should reflect pools of applicants both with TRC, and those awaiting BPU approval.

There is a discussion here on how applicants can manage risk by determining where their application is “in line”.

Utility Updates

NJNG

- NJNG commercial offering concurrent with DI, and therefore also on hold.
- There will be an implementation that allows customers to sign off on sending the check directly to their contractor.

PSE&G

- In the implementation phase of programs.

SJG

- Seeing amount of work increased in loan program.

Anne-Marie Peracchio on Sustainable Jersey update: 59 schools are getting certified, and 5 districts had every school qualify.

Other Business, Next Meeting

- November Meeting – 11/10/15

Attendees:

Name	Company	In Person	By Phone
Acampora, Robbi	Phoenix Advisors LLC		X
Ackerman, Elizabeth	BPU		X
Almerini, Nick	Dyna-Tech		X
Almeida, Jack	Facility Solutions Group	X	
Ambrosio, Mike	AEG	X	
Bovio, Brian	Bovio Heating		X
Burger, Jeffrey	Willdan Energy	X	
Burke, Kevin	Honeywell	X	
Crooks, Thomas	MCR Performance Solutions	X	
Ellman, Susan	NJNG	X	
Georgi, Anthony	Honeywell	X	
Grossman, Bruce	SJG	X	
Hallock, Amanda	Honeywell		X
Harron, Kate	Clean Markets		X
Hendricks, Mahogany	BPU		X
Jones, Sherri	BPU	X	
Lising, Anna	Opower	X	
Lopes, Joseph	DNV GL	X	
Lupse, Janja	CSG	X	
McKeever, Elizabeth	Bevan, Mosca, & Giuditta		X
Palmer, Bill	Kamson Corp	X	
Peracchio, Anne-Marie	NJNG	X	
Psihoules, Michael	Fujitsu General America		X
Ryan, Jerry	NJNG	X	
Schmidt, Ed	MCR	X	
Seelaus, Timothy	EMC Development Company		X
Sherako, Jill	Eastern Heating and Cooling Council	X	
Slaten, Marisa	BPU	X	
Sparrow-Hood, Walt	PSE&G	X	
Stanish, Jeff	OPower	X	
Tejas, Desai	Willdan Energy	X	

Teter, Carl	TRC	X	
Valora, Sam	SJG	X	
Wetzel, Linda	AEG	X	
Wong, Douglas	BC Express Inc		X
Zukas, Diane	TRC		X