



Local Government Energy Audit: Energy Audit Report



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Samuel S. Devico Senior Center

23 Romney Place

Cape May Township, New Jersey
08210

Middle Township

March 28, 2019

Final Report by:

TRC Energy Services

Disclaimer

The goal of this audit report is to identify potential energy efficiency opportunities, help prioritize specific measures for implementation, and provide information about financial incentives that may be available. Most energy conservation measures have received preliminary analysis of feasibility that identifies expected ranges of savings and costs. This level of analysis is usually considered sufficient to establish a basis for further discussion and to help prioritize energy measures.

TRC Energy Services (TRC) reviewed the energy conservation measures and estimates of energy savings were reviewed for technical accuracy. Actual, achieved energy savings depend on behavioral factors and other uncontrollable variables and, therefore, estimates of final energy savings are not guaranteed. TRC and the New Jersey Board of Public Utilities (NJBPU) shall in no event be liable should the actual energy savings vary.

TRC bases estimated installation costs on our experience at similar facilities, pricing from local contractors and vendors, and/or cost estimates from RS Means. We encourage the owner of the facility is encouraged to independently confirm these cost estimates and to obtain multiple estimates when considering measure installations. Actual installation costs can vary widely based on individual measures and conditions. TRC and NJBPU do not guarantee installed cost estimates and shall in no event be held liable should actual installed costs vary from estimates.

The New Jersey Clean Energy Program (NJCEP) incentive values provided in this report are estimates based on program information available at the time of the report. Incentive levels are not guaranteed. The NJBPU reserves the right to extend, modify, or terminate programs without prior notice. Please review all available program incentives and eligibility requirements prior to selecting and installing any energy conservation measures.

The customer and their respective contractor(s) are responsible to implement energy conservation measures in complete conformance with all applicable local, state and federal requirements.

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I EXECUTIVE SUMMARY

The New Jersey Board of Public Utilities (NJBPU) has sponsored this Local Government Energy Audit (LGEA) Report for the Samuel S. Devico Senior Center.

The goal of a LGEA report is to provide you with information on how your facility uses energy, identify energy conservation measures (ECMs) that can reduce your energy use, and provide information and assistance to help facilities implement ECMs. The LGEA report also contains valuable information on financial incentives from New Jersey’s Clean Energy Program (NJCEP) for implementing ECMs.

This study was conducted by TRC Energy Services (TRC), as part of a comprehensive effort to assist New Jersey local governments in controlling energy costs and protecting our environment by offering a wide range of energy management options and advice.

I.1 Facility Summary

The Samuel S. Devico Senior Center is a 3,258 square foot community center building that was built in 1999. It is comprised of a large community room for occasional activities and meals, an office space, utility room and community kitchen.

Lighting at the Samuel S. Devico Senior Center consists of relatively inefficient lighting and the HVAC equipment in need of replacement. Heating is supplied by mid-efficiency furnaces with split system evaporators for cooling. A thorough description of the facility and our observations are located in Section 2.

I.2 Your Cost Reduction Opportunities

Energy Conservation Measures

TRC evaluated five measures and recommends two measures which together represent an opportunity for the Samuel S. Devico Senior Center to reduce annual energy costs by roughly \$437 and annual greenhouse gas emissions by 2,646 lbs. CO₂e. We estimate that if all measures were implemented as recommended, the project would pay for itself in 2.5 years. The breakdown of existing and potential utility costs after project implementation are illustrated in Figure 1 and Figure 2, respectively. Together these measures represent an opportunity to reduce Samuel S. Devico Senior Center’s annual energy use by 7%.

Figure 1 – Previous 12 Month Utility Costs

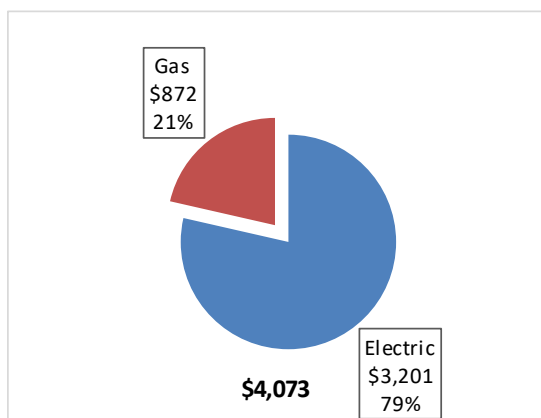
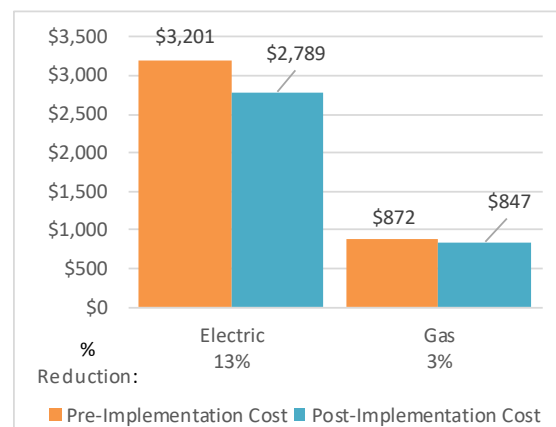


Figure 2 – Potential Post-Implementation Costs



A detailed description of Samuel S. Devico Senior Center’s existing energy use can be found in Section 3.

Estimates of the total cost, energy savings, and financial incentives for the proposed energy efficient upgrades are summarized below in Figure 3. A brief description of each category can be found below and a description of savings opportunities can be found in Section 4.

Figure 3 – Summary of Energy Reduction Opportunities

Energy Conservation Measure		Recommend?	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)*	Estimated Net Cost (\$)	Simple Payback Period (yrs)**	CO ₂ e Emissions Reduction (lbs)
Lighting Upgrades			2,345	1.0	0.0	\$411.38	\$1,505.54	\$410.00	\$1,095.54	2.7	2,361
ECM 1	Retrofit Fixtures with LED Lamps	Yes	2,345	1.0	0.0	\$411.38	\$1,505.54	\$410.00	\$1,095.54	2.7	2,361
Motor Upgrades			320	0.2	0.0	\$56.06	\$826.10	\$0.00	\$826.10	14.7	322
	Premium Efficiency Motors	No	320	0.2	0.0	\$56.06	\$826.10	\$0.00	\$826.10	14.7	322
Electric Unitary HVAC Measures			932	0.6	0.0	\$163.46	\$7,481.10	\$460.00	\$7,021.10	43.0	938
	Install High Efficiency Electric AC	No	932	0.6	0.0	\$163.46	\$7,481.10	\$460.00	\$7,021.10	43.0	938
Domestic Water Heating Upgrade			859	1.4	-0.5	\$145.64	\$2,827.14	\$50.00	\$2,777.14	19.1	807
	Install High Efficiency Gas Water Heater	No	859	1.4	-2.9	\$120.40	\$2,812.80	\$50.00	\$2,762.80	22.9	522
ECM 2	Install Low-Flow Domestic Hot Water Devices	Yes	0	0.0	2.4	\$25.24	\$14.34	\$0.00	\$14.34	0.6	285
TOTALS FOR HIGH PRIORITY MEASURES			2,345	1.0	2.4	\$436.62	\$1,519.88	\$410.00	\$1,109.88	2.5	2,646
TOTALS FOR ALL EVALUATED MEASURES			4,455	3.1	-0.5	\$776.54	\$12,639.88	\$920.00	\$11,719.88	15.1	4,428

* - All incentives presented in this table are based on NJ Smart Start Building equipment incentives and assume proposed equipment meets minimum performance criteria for that program.

** - Simple Payback Period is based on net measure costs (i.e. after incentives).

Lighting Upgrades generally involve the replacement of existing lighting components such as lamps and ballasts (or the entire fixture) with higher efficiency lighting components. These measures save energy by reducing the power used by the lighting components due to improved electrical efficiency.

Motor Upgrades generally involve replacing older standard efficiency motors with high efficiency standard (NEMA Premium®). Motors replacements generally assume the same size motors, just higher efficiency. Although occasionally additional savings can be achieved by downsizing motors to better meet current load requirements. This measure saves energy by reducing the power used by the motors, due to improved electrical efficiency.

Electric Unitary HVAC measures generally involve replacing older inefficient air conditioning systems with modern energy efficient systems. New air conditioning systems can provide equivalent cooling to older air condition systems at a reduced energy cost. These measures save energy by reducing the power used by the air conditioning systems, due to improved electrical efficiency.

Domestic Hot Water upgrade measures generally involve replacing older inefficient domestic water heating systems with modern energy efficient systems. New domestic hot water heating systems can provide equivalent, or greater, water heating capacity compared to older systems at a reduced energy cost. These measures save energy by reducing the fuel used for domestic hot water heating due to improved heating efficiency or reducing standby losses.

Energy Efficient Practices

TRC also identified nine low cost (or no cost) energy efficient practices. A facility's energy performance can be significantly improved by employing certain behavioral or operational adjustments and by performing better routine maintenance on building systems. These practices can extend equipment lifetime, improve occupant comfort, provide better health and safety, as well as reduce annual energy and O&M costs. Potential opportunities identified at the Samuel S. Devico Senior Center include:

- Reduce Air Leakage
- Perform Regular Lighting Maintenance
- Perform Routine Motor Maintenance
- Practice Use of Thermostat Schedules and Temperature Resets
- Check for and Seal Duct Leakage
- Perform Regular Furnace Maintenance
- Perform Regular Water Heater Maintenance
- Install Plug Load Controls
- Water Conservation

For details on these Energy Efficient Practices, please refer to Section 5.

On-Site Generation Measures

TRC evaluated the potential for installing on-site generation for the Samuel S. Devico Senior Center. Based on the configuration of the site and its loads there is a low potential for installing any PV and combined heat and power self-generation measures.

For details on our evaluation and on-site generation potential, please refer to Section 6.

1.3 Implementation Planning

To realize the energy savings from the ECMs listed in this report, a project implementation plan must be developed. Available capital must be considered and decisions need to be made whether it is best to pursue individual ECMs separately, groups of ECMs, or a comprehensive approach where all ECMs are implemented together, possibly in conjunction with other facility upgrades or improvements.

Rebates, incentives, and financing are available from NJCEP, as well as other sources, to help reduce the costs associated with the implementation of energy efficiency projects. Prior to implementing any measure, please review the relevant incentive program guidelines before proceeding. This is important because in most cases you will need to submit applications for the incentives prior to purchasing materials or commencing with installation.

The ECMs outlined in this report may qualify under the following program(s):

- SmartStart
- Direct Install
- SREC (Solar Renewable Energy Certificate) Registration Program (SRP)
- Energy Savings Improvement Program (ESIP)

For facilities wanting to pursue only selected individual measures (or planning to phase implementation of selected measures over multiple years), incentives are available through the SmartStart program. To participate in this program, you may utilize internal resources, or an outside firm or contractor, to do the final design of the ECM(s) and do the installation. Program pre-approval is required for some SmartStart incentives, so only after receiving pre-approval should you proceed with ECM installation. The incentive estimates listed above in Figure 3 are based on the SmartStart program. More details on this program and others are available in Section 8.

This facility may also qualify for the Direct Install program which can provide turnkey installation of multiple measures, through an authorized network of participating contractors. This program can provide substantially higher incentives than SmartStart, up to 70% of the cost of selected measures, although measure eligibility will have to be assessed and be verified by the designated Direct Install contractor and, in most cases, they will perform the installation work.

For larger facilities with limited capital availability to implement ECMs, project financing may be available through the Energy Savings Improvement Program (ESIP). Supported directly by the NJBPU, ESIP provides government agencies with project development, design, and implementation support services as well as attractive financing for implementing ECMs. An LGEA report (or other approved energy audit) is required for participation in ESIP. Please refer to Section 8.4 for additional information on the ESIP Program.

The Demand Response Energy Aggregator is a (non-NJCEP) program designed to reduce electric loads at commercial facilities, when wholesale electricity prices are high or when the reliability of the electric grid is threatened due to peak power demand. Demand Response (DR) service providers (a.k.a. Curtailment Service Providers) are registered with PJM, the independent system operator (ISO) for mid-Atlantic state region that is charged with maintaining electric grid reliability. By enabling grid operators to call upon commercial facilities to reduce their electric usage during times of peak demand, the grid is made more reliable and overall transmission costs are reduced for all ratepayers. Curtailment Service Providers provide regular payments to medium and large consumers of electric power for their participation in DR programs. Program participation is voluntary and facilities receive payments whether or not they are called upon to curtail their load during times of peak demand.

Refer to Section 7 for additional information on this program.

Additional information on relevant incentive programs is located in Section 8. You may also check the following website for more details: www.njcleanenergy.com/ci.

2 FACILITY INFORMATION AND EXISTING CONDITIONS

2.1 Project Contacts

Figure 4 – Project Contacts

Name	Role	E-Mail	Phone #
Customer			
Elizabeth Tenerik	Town Administrator	eterenik@middletownship.com	609-465-8732
Robert Flynn	Town Supervisor	rflynn@middletownship.com	609-602-1245
Designated Representative			
Tom Fairman	Public Works Technician		609-602-1245
TRC Energy Services			
Robert Grindrod	Auditor	rgrindrod@trcsolutions.com	(518) 416 7202

2.2 General Site Information

On July 18, 2018, TRC performed an energy audit at the Samuel S. Devico Senior Center located in Cape May Township, New Jersey. TRC’s team met with Tom Fairman to review the facility operations and help focus our investigation on specific energy-using systems.

The Samuel S. Devico Senior Center is a 3,258 square foot community center building that was built in 1999. It is comprised of a large community room for occasional activities and meals, an office space, utility room and community kitchen.

2.3 Building Occupancy

The Samuel S. Devico Senior Center is open Monday through Friday. The typical schedule is presented in the table below. The entire facility is used year-round by the community. During a typical day, the facility is occupied by approximately two to four staff members and 25-50 community residents.

Figure 5 - Building Schedule

Building Occupancy Schedule		
Building Name	Weekday/Weekend	Operating Schedule
Senior Center	Weekday	8:00 AM - 4:30 PM
Senior Center	Weekend	Closed

2.4 Building Envelope

The Samuel S. Devico Senior Center is a slab-on-grade, vinyl-sided, wood-frame structure with a pitched, asphalt shingled roof. The windows are double glazed and in good condition. The main entrance is a commercial grade assembly aluminum framed glass panels and doors.



Figure 6 - Samuel S. Devico Senior Center

2.5 On-Site Generation

The Samuel S. Devico Senior Center does not have any on-site electric generation capacity.

2.6 Energy-Using Systems

Please see Appendix A: Equipment Inventory & Recommendations for an inventory of the facility's equipment.

Lighting System

Lighting at the facility is provided mostly by 32-Watt linear fluorescent T8 lamps with electronic ballasts as well as some compact fluorescent lamps (CFL). Most of the fixtures are 2-lamp, 4 foot long troffers with diffusers. The office space has 2-lamp, 2-foot troffer fixture with "U-lamp" tubes. Lighting control in most spaces is provided by wall switches

The building's exterior lighting consists of efficient LED pole mounted parking lot fixtures that are controlled by a timer and wall mounted compact fluorescent fixtures at the main entrance.



Figure 7 - LED Parking Lot Light



Figure 8 - Outdoor Lighting Timer

Direct Expansion Air Conditioning System (DX)

Two 5-ton split system air conditioning (AC) condensers are located on the ground the east side of the building. One is a 19-year-old Bryant unit and the other is a 5-year-old unit made by Lennox. The evaporators are in air handling units (AHUs) (with gas fired furnaces) in the ceiling of the building and were inaccessible at the time of the audit. These are constant volume units with a single 1 hp (estimated) supply fan and no return fan. The units are controlled by individual non-programmable thermostats located in the occupied space. The AHUs are nearing the end of their useful life. When it comes time to replace them, consider replacing them with higher efficiency units.



Figure 9 - 5-ton Outdoor Condensers



Figure 10 - Non-Programmable Thermostats

Domestic Hot Water Heating System

The domestic hot water heating system for the facility consists of one 5-year-old, 40-gallon, 4.5kW electric hot water heater.

Building Plug Load

There are six computer desktop work stations with LCD monitors, two for the office and four for public use in the facility. There are also printers and large screen televisions on site.

There is an older chest freezer, a stand-up refrigerator, an electric stove, microwaves and coffee makers.



Figure 11 - Cold spot Freezer



Figure 12 - Kitchen Plug Loads

2.7 Water-Using Systems

There are two-restrooms at this facility. The faucets are rated for 2.0 gallons per minute (gpm) or higher, the toilets are rated at 1.6 gallons per flush (gpf).

3 SITE ENERGY USE AND COSTS

Utility data for electricity and natural gas was analyzed to identify opportunities for savings. In addition, data for electricity and natural gas was evaluated to determine the annual energy performance metrics for the building in energy cost per square foot and energy usage per square foot. These metrics are an estimate of the relative energy efficiency of this building. There are a number of factors that could cause the energy use of this building to vary from the “typical” energy usage profile for facilities with similar characteristics. Local weather conditions, building age and insulation levels, equipment efficiency, daily occupancy hours, changes in occupancy throughout the year, equipment operating hours, and energy efficient behavior of occupants all contribute to benchmarking scores. Please refer to the Benchmarking section within Section 3.4 for additional information.

3.1 Total Cost of Energy

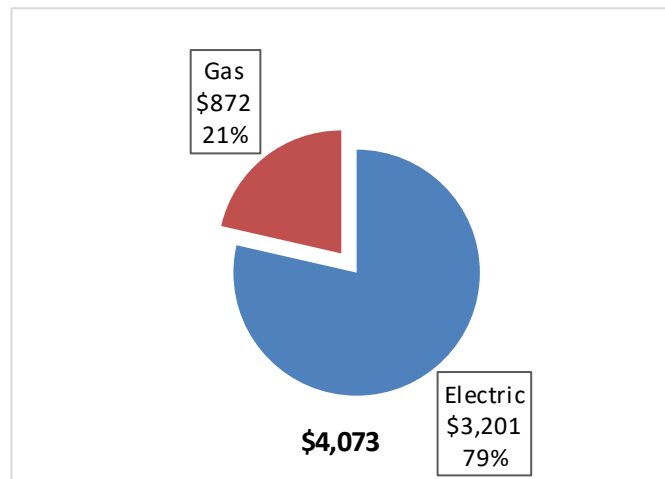
The following energy consumption and cost data is based on the last 12-month period of utility billing data that was provided for each utility. A profile of the annual energy consumption and energy cost of the facility was developed from this information.

Figure 13 - Utility Summary

Utility Summary for Middle Township		
Fuel	Usage	Cost
Electricity	18,243 kWh	\$3,201
Natural Gas	842 Therms	\$872
Total		\$4,073

The current annual energy cost for this facility is \$4,073 as shown in the chart below.

Figure 14 - Energy Cost Breakdown



3.2 Electricity Usage

Electricity is provided by Atlantic City Electric. The average electric cost over the past 12 months was \$0.175/kWh, which is the blended rate that includes energy supply, distribution, and other charges. This rate is used throughout the analyses in this report to assess energy costs and savings. The monthly electricity consumption and peak demand are shown in the chart below. The monthly use profile looks normal for an air conditioned building with variable occupancy. Note the spike in usage in March. This could be weather related if there was a warm spell or there could have been an anomaly in kitchen usage or occupancy.

Figure 15 - Electric Usage & Demand

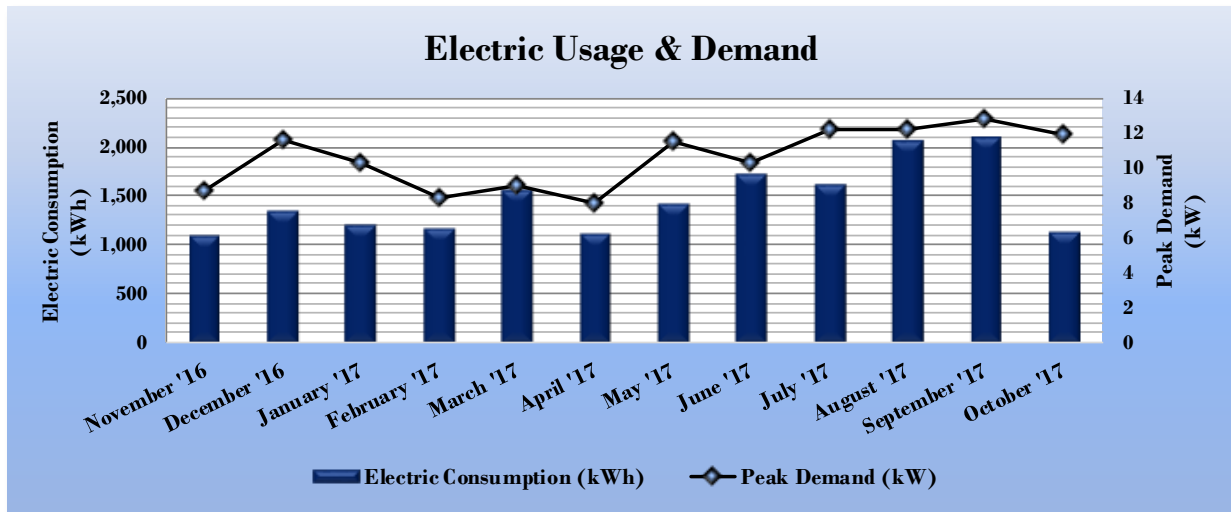


Figure 16 - Electric Usage & Demand

Electric Billing Data for Middle Township					
Period Ending	Days in Period	Electric Usage (kWh)	Demand (kW)	Demand Cost	Total Electric Cost
12/10/16	29	1,102	9	\$13.57	\$203.69
1/12/17	32	1,349	12	\$19.91	\$249.52
2/9/17	27	1,212	10	\$15.00	\$219.95
3/10/17	28	1,168	8	\$12.52	\$211.61
4/11/17	31	1,562	9	\$14.98	\$275.80
5/11/17	29	1,115	8	\$12.48	\$204.14
6/12/17	31	1,423	12	\$20.70	\$261.80
7/12/17	29	1,726	10	\$19.57	\$292.47
8/10/17	28	1,621	12	\$22.41	\$281.04
9/13/17	33	2,069	12	\$26.27	\$359.64
10/12/17	28	2,115	13	\$13.78	\$338.71
11/9/17	27	1,131	12	\$19.55	\$188.24
Totals	352	17,593	12.8	\$211	\$3,087
Annual	365	18,243	12.8	\$219	\$3,201

3.3 Natural Gas Usage

Natural gas is provided by South Jersey Gas. The average gas cost for the past 12 months is \$1.036/therm, which is the blended rate used throughout the analyses in this report. The monthly gas consumption is shown in the chart below. The dip in the February billing may be weather related; possibly a warm spell around February. There were fewer billing days for that billing period as well.

Figure 17 - Natural Gas Usage

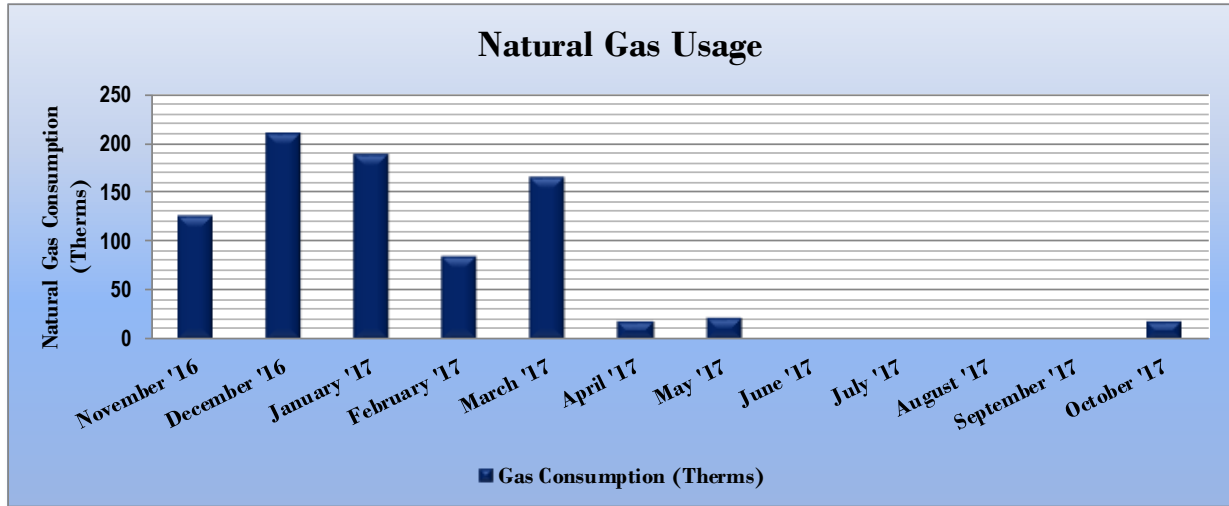


Figure 18 - Natural Gas Usage

Gas Billing Data for Middle Township			
Period Ending	Days in Period	Natural Gas Usage (Therms)	Natural Gas Cost
12/10/16	30	127	\$105
1/12/17	33	212	\$162
2/11/17	30	189	\$145
3/10/17	27	85	\$79
4/11/17	32	167	\$133
5/11/17	30	19	\$41
6/12/17	32	23	\$45
7/12/17	30	0	\$29
8/10/17	29	0	\$28
9/13/17	34	0	\$33
10/12/17	29	0	\$28
11/9/17	28	19	\$42
Totals	364	840	\$870
Annual	365	842	\$872

3.4 Benchmarking

This facility was benchmarked using Portfolio Manager®, an online tool created and managed by the United States Environmental Protection Agency (EPA) through the ENERGY STAR® program. Portfolio Manager® analyzes your building’s consumption data, cost information, and operational use details and then compares its performance against a national median for similar buildings of its type. Metrics provided by this analysis are Energy Use Intensity (EUI) and an ENERGY STAR® score for select building types.

The EUI is a measure of a facility’s energy consumption per square foot, and it is the standard metric for comparing buildings’ energy performance. Comparing the EUI of a building with the national median EUI for that building type illustrates whether that building uses more or less energy than similar buildings of its type on a square foot basis. EUI is presented in terms of “site energy” and “source energy.” Site energy is the amount of fuel and electricity consumed by a building as reflected in utility bills. Source energy includes fuel consumed to generate electricity consumed at the site, factoring in electric production and distribution losses for the region.

Figure 19 - Energy Use Intensity Comparison – Existing Conditions

Energy Use Intensity Comparison - Existing Conditions		
	Middle Township	National Median Building Type: Center/Meeting Hall
Source Energy Use Intensity (kBtu/ft ²)	87.1	69.8
Site Energy Use Intensity (kBtu/ft ²)	45.0	45.3

Implementation of all recommended measures in this report would improve the building’s estimated EUI significantly, as shown in the table below:

Figure 20 - Energy Use Intensity Comparison – Following Installation of Recommended Measures

Energy Use Intensity Comparison - Following Installation of Recommended Measures		
	Middle Township	National Median Building Type: Center/Meeting Hall
Source Energy Use Intensity (kBtu/ft ²)	78.6	69.8
Site Energy Use Intensity (kBtu/ft ²)	41.8	45.3

Many types of commercial buildings are also eligible to receive an ENERGY STAR® score. This score is a percentile ranking from 1 to 100. It compares your building’s energy performance to similar buildings nationwide. A score of 50 represents median energy performance, while a score of 75 means your building performs better than 75 percent of all similar buildings nationwide and may be eligible for ENERGY STAR® certification. This building type does not currently qualify to receive a score.

A Portfolio Manager Statement of Energy Performance (SEP) was generated for this facility, see Appendix B: ENERGY STAR® Statement of Energy Performance.

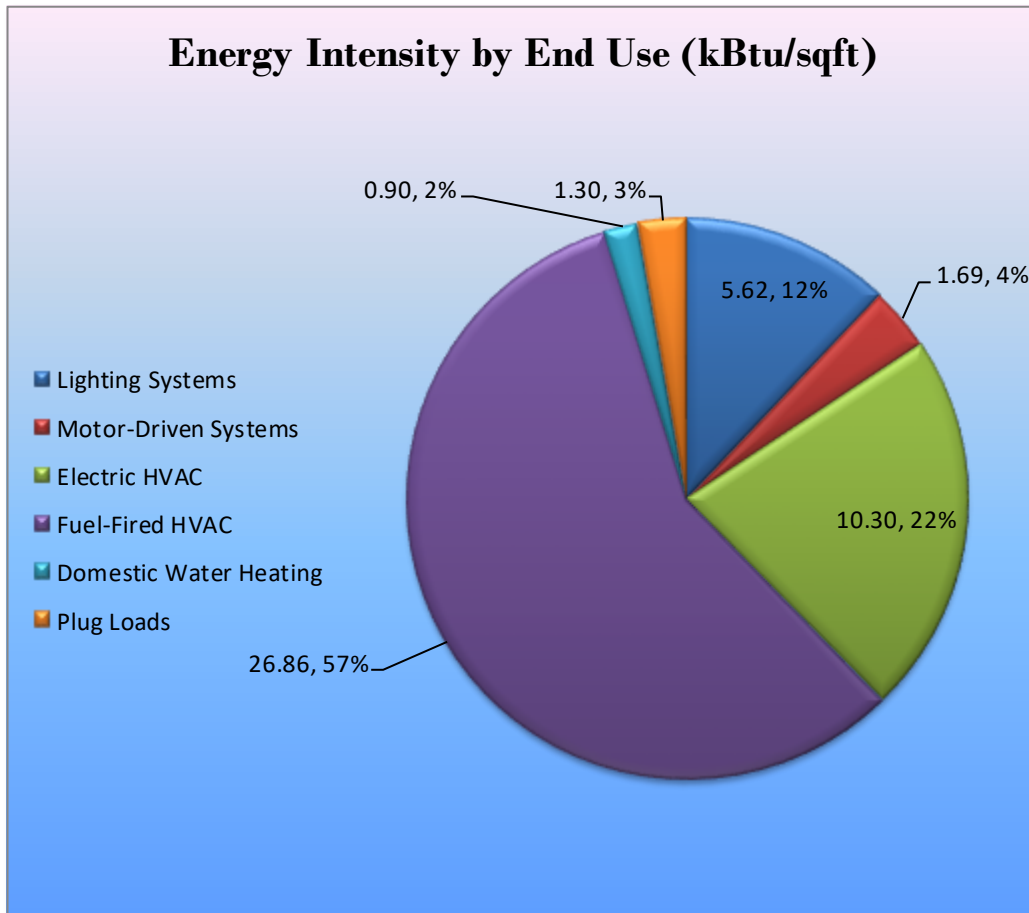
For more information on ENERGY STAR® certification go to: <https://www.energystar.gov/buildings/facility-owners-and-managers/existing-buildings/earn-recognition/energy-star-certification/how-app-1>.

A Portfolio Manager® account has been created online for your facility and you will be provided with the login information for the account. We encourage you to update your utility information in Portfolio Manager® regularly, so that you can keep track of your building’s performance. Free online training is available to help you use ENERGY STAR® Portfolio Manager® to track your building’s performance at: <https://www.energystar.gov/buildings/training>.

3.5 Energy End-Use Breakdown

In order to provide a complete overview of energy consumption across building systems, an energy balance was performed at this facility. An energy balance utilizes standard practice engineering methods to evaluate all components of the various electric and fuel-fired systems found in a building to determine their proportional contribution to overall building energy usage. This chart of energy end uses highlights the relative contribution of each equipment category to total energy usage. This can help determine where the greatest benefits might be found from energy efficiency measures.

Figure 21 - Energy Balance (% and kBtu/SF)



4 ENERGY CONSERVATION MEASURES

The goal of this audit report is to identify potential energy efficiency opportunities, help prioritize specific measures for implementation, and provide information to the Samuel S. Devico Senior Center regarding financial incentives for which they may qualify to implement the recommended measures. For this audit report, most measures have received only a preliminary analysis of feasibility which identifies expected ranges of savings and costs. This level of analysis is usually considered sufficient to demonstrate project cost-effectiveness and help prioritize energy measures. Savings are based on the New Jersey Clean Energy Program Protocols to Measure Resource Savings dated June 29, 2016, approved by the New Jersey Board of Public Utilities. Further analysis or investigation may be required to calculate more precise savings based on specific circumstances. A higher level of investigation may be necessary to support any custom SmartStart or Pay for Performance, or Direct Install incentive applications. Financial incentives for the ECMs identified in this report have been calculated based the NJCEP prescriptive SmartStart program. Some measures and proposed upgrade projects may be eligible for higher incentives than those shown below through other NJCEP programs as described in Section 8.

The following sections describe the evaluated measures.

4.1 Recommended ECMs

The measures below have been evaluated by the auditor and are recommended for implementation at the facility.

Figure 22 – Summary of Recommended ECMs

Energy Conservation Measure		Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)*	Estimated Net Cost (\$)	Simple Payback Period (yrs)**	CO ₂ e Emissions Reduction (lbs)
Lighting Upgrades		2,345	1.0	0.0	\$411.38	\$1,505.54	\$410.00	\$1,095.54	2.7	2,361
ECM 1	Retrofit Fixtures with LED Lamps	2,345	1.0	0.0	\$411.38	\$1,505.54	\$410.00	\$1,095.54	2.7	2,361
Domestic Water Heating Upgrade		0	0.0	2.4	\$25.24	\$14.34	\$0.00	\$14.34	0.6	285
ECM 2	Install Low-Flow Domestic Hot Water Devices	0	0.0	2.4	\$25.24	\$14.34	\$0.00	\$14.34	0.6	285
TOTALS		2,345	1.0	2.4	\$436.62	\$1,519.88	\$410.00	\$1,109.88	2.5	2,646

* - All incentives presented in this table are based on NJ Smart Start Building equipment incentives and assume proposed equipment meets minimum performance criteria for that program.

** - Simple Payback Period is based on net measure costs (i.e. after incentives).

4.1.1 Lighting Upgrades

Our recommendations for upgrades to existing lighting fixtures are summarized in Figure 23 below.

Figure 23 – Summary of Lighting Upgrade ECMs

Energy Conservation Measure		Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
Lighting Upgrades		2,345	1.0	0.0	\$411.38	\$1,505.54	\$410.00	\$1,095.54	2.7	2,361
ECM 1	Retrofit Fixtures with LED Lamps	2,345	1.0	0.0	\$411.38	\$1,505.54	\$410.00	\$1,095.54	2.7	2,361

During lighting upgrade planning and design, we recommend a comprehensive approach that considers both the efficiency of the lighting fixtures and how they are controlled.

ECM 1: Retrofit Fixtures with LED Lamps

Summary of Measure Economics

Interior/ Exterior	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
Interior	2,304	0.9	0.0	\$404.14	\$1,457.12	\$410.00	\$1,047.12	2.6	2,320
Exterior	41	0.0	0.0	\$7.24	\$48.42	\$0.00	\$48.42	6.7	42

Measure Description

We recommend retrofitting existing fluorescent fixtures in the great room, offices, kitchen and other spaces with LED lamps. Many LED tube lamps are direct replacements for existing fluorescent lamps and can be installed while leaving the fluorescent fixture ballast in place. LED bulbs can be used in existing fixtures as a direct replacement for most other lighting technologies. This measure saves energy by installing LEDs which use less power than other lighting technologies yet provide equivalent lighting output for the space. This measure involves replacing all of the ceiling fixture lamps and the wall mounted compact fluorescent fixtures near the front entrance

Additional savings from lighting maintenance can be anticipated since LEDs have lifetimes which are more than twice that of fluorescent tubes.

4.1.2 Domestic Hot Water Heating System Upgrades

Our recommendations for domestic water heating system improvements are summarized in Figure 24 below.

Figure 24 - Summary of Domestic Water Heating ECMs

Energy Conservation Measure		Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
Domestic Water Heating Upgrade		0	0.0	2.4	\$25.24	\$14.34	\$0.00	\$14.34	0.6	285
ECM 2	Install Low-Flow Domestic Hot Water Devices	0	0.0	2.4	\$25.24	\$14.34	\$0.00	\$14.34	0.6	285

ECM 2: Install Low-Flow DHW Devices

Summary of Measure Economics

Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
0	0.0	2.4	\$25.24	\$14.34	\$0.00	\$14.34	0.6	285

Measure Description

We recommend installing low-flow domestic hot water devices to reduce overall hot water demand. Energy demand from domestic hot water heating systems can be reduced by reducing water usage in general. Faucet aerators can reduce hot water usage, relative to standard showerheads and aerators, which saves energy.

Low-flow devices reduce the overall water flow from the fixture, while still adequate pressure for washing. This reduces the amount of water used per day resulting in energy and water savings.

4.2 ECMs Evaluated But Not Recommended

The measures below have been evaluated by the auditor but are not recommended for implementation at the facility. Reasons for exclusion can be found in each measure description section.

Figure 25 – Summary of Measures Evaluated, But Not Recommended

Energy Conservation Measure	Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)*	Estimated Net Cost (\$)	Simple Payback Period (yrs)**	CO ₂ e Emissions Reduction (lbs)
Motor Upgrades	320	0.2	0.0	\$56.06	\$826.10	\$0.00	\$826.10	14.7	322
Premium Efficiency Motors	320	0.2	0.0	\$56.06	\$826.10	\$0.00	\$826.10	14.7	322
Electric Unitary HVAC Measures	932	0.6	0.0	\$163.46	\$7,481.10	\$460.00	\$7,021.10	43.0	938
Install High Efficiency Electric AC	932	0.6	0.0	\$163.46	\$7,481.10	\$460.00	\$7,021.10	43.0	938
Domestic Water Heating Upgrade	859	1.4	-2.9	\$120.40	\$2,812.80	\$50.00	\$2,762.80	22.9	522
Install High Efficiency Gas Water Heater	859	1.4	-2.9	\$120.40	\$2,812.80	\$50.00	\$2,762.80	22.9	522
TOTALS	2,111	2.2	-2.9	\$339.92	\$11,120.00	\$510.00	\$10,610.00	31.2	1,782

* - All incentives presented in this table are based on NJ Smart Start Building equipment incentives and assume proposed equipment meets minimum performance criteria for that program.

** - Simple Payback Period is based on net measure costs (i.e. after incentives).

Premium Efficiency Motors

Summary of Measure Economics

Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
320	0.2	0.0	\$56.06	\$826.10	\$0.00	\$826.10	14.7	322

Measure Description

We evaluated replacing standard efficiency motors in the AHUs serving the entire building with NEMA Premium® efficiency motors. Our evaluation assumes that existing motors will be replaced with motors of equivalent size and type. Although occasionally additional savings can be achieved by downsizing motors to better meet the motor's current load requirements. The base case motor efficiencies are estimated from nameplate information and our best estimates of motor run hours. Efficiencies of proposed motor upgrades are obtained from the *New Jersey's Clean Energy Program Protocols to Measure Resource Savings (2016)*. Savings are based on the difference between baseline and proposed efficiencies and the assumed annual operating hours.

Reasons for not Recommending

Due to a longer simple payback for this measure the replacement would not be cost effective based on energy savings alone. The facility may choose to upgrade for other reasons such as a compressive facility-wide retrofit or additional O&M savings.

Install High Efficiency Air Conditioning Units

Summary of Measure Economics

Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
932	0.6	0.0	\$163.46	\$7,481.10	\$460.00	\$7,021.10	43.0	938

Measure Description

We evaluated replacing standard efficiency packaged air conditioning units with high efficiency split system air conditioning units serving the entire building. There have been significant improvements in both compressor and fan motor efficiencies over the past several years. Therefore, electricity savings can be achieved by replacing older units with new high efficiency units. A higher EER or SEER rating indicates a more efficient cooling system. The magnitude of energy savings for this measure depends on the relative efficiency of the older unit versus the new high efficiency unit, the average cooling load, and the estimated annual operating hours.

Reasons for not Recommending

Due to a longer simple payback for this measure the replacement would not be cost effective based on energy savings alone. The facility may choose to upgrade for other reasons such as a compressive facility-wide retrofit or additional O&M savings.

Install High Efficiency Gas Water Heater

Summary of Measure Economics

Annual Electric Savings (kWh)	Peak Demand Savings (kW)	Annual Fuel Savings (MMBtu)	Annual Energy Cost Savings (\$)	Estimated Install Cost (\$)	Estimated Incentive (\$)	Estimated Net Cost (\$)	Simple Payback Period (yrs)	CO ₂ e Emissions Reduction (lbs)
859	1.4	-2.9	\$120.40	\$2,812.80	\$50.00	\$2,762.80	22.9	522

Measure Description

We evaluated replacing the existing tank water heater with a high efficiency tank water heater. Improvements in combustion efficiency and reductions in heat losses have improved the overall efficiency of storage water heaters. Energy savings results from using less gas to heat water, due to higher unit efficiency, and fewer run hours to maintain the tank water temperature.

Reasons for not Recommending

Due to a longer simple payback for this measure the replacement would not be cost effective based on energy savings alone. The facility may choose to upgrade for other reasons such as a compressive facility-wide retrofit or additional O&M savings.

5 ENERGY EFFICIENT PRACTICES

In addition to the quantifiable savings estimated in Section 4, a facility's energy performance can also be improved through application of many low cost or no-cost energy efficiency strategies. By employing certain behavioral and operational changes and performing routine maintenance on building systems, equipment lifetime can be extended; occupant comfort, health and safety can be improved; and energy and O&M costs can be reduced. The recommendations below are provided as a framework for developing a whole building maintenance plan that is customized to your facility. Consult with qualified equipment specialists for details on proper maintenance and system operation.

Reduce Air Leakage

Air leakage, or infiltration, occurs when outside air enters a building uncontrollably through cracks and openings. Properly sealing such cracks and openings can significantly reduce heating and cooling costs, improve building durability, and create a healthier indoor environment. This includes caulking or installing weather stripping around leaky doors and windows allowing for better control of indoor air quality through controlled ventilation.

Perform Regular Lighting Maintenance

In order to sustain optimal lighting levels, lighting fixtures should undergo routine maintenance. Light levels decrease over time due to lamp aging, lamp and ballast failure, and buildup of dirt and dust on lamps, fixtures and reflective surfaces. Together, these factors can reduce total illumination by 20% - 60% or more, while operating fixtures continue drawing full power. To limit this reduction, lamps, reflectors and diffusers should be thoroughly cleaned of dirt, dust, oil, and smoke film buildup approximately every 6 – 12 months.

Perform Routine Motor Maintenance

Motors consist of many moving parts whose collective degradation can contribute to a significant loss of motor efficiency. In order to prevent damage to motor components, routine maintenance should be performed. This maintenance consists of cleaning surfaces and ventilation openings on motors to prevent overheating, lubricating moving parts to reduce friction, inspecting belts and pulleys for wear and to ensure they are at proper alignment and tension, and cleaning and lubricating bearings. Consult a licensed technician to assess these and other motor maintenance strategies.

Practice Proper Use of Thermostat Schedules and Temperature Resets

Ensure thermostats are correctly set back. By employing Regular set back temperatures and schedules, facility heating and cooling costs can be reduced dramatically during periods of low or no occupancy. As such, thermostats should be programmed for a setback of 5-10°F during low occupancy hours (reduce heating setpoints and increase cooling setpoints). Cooling load can be reduced further by increasing the facility's occupied setpoint temperature. In general, during the cooling season, thermostats should be set as high as possible without sacrificing occupant comfort.

Check for and Seal Duct Leakage

Duct leakage in commercial buildings typically accounts for 5% to 25% of the supply airflow. In the case of rooftop air handlers, duct leakage can occur to the outside of the building, significantly increasing cooling and heating costs. By sealing sources of leakage, cooling, heating, and ventilation energy use can be reduced significantly, depending on the severity of air leakage.

Perform Regular Furnace Maintenance

Preventative furnace maintenance can extend the life of the system, maintain energy efficiency, and ensure safe operation. Following the manufacturer's instructions, a yearly tune-up should include tasks such as checking for gas/carbon monoxide leaks; changing the air and fuel filters; checking components for cracks, corrosion, dirt, or debris build-up; ensuring the ignition system is working properly; testing and adjusting operation and safety controls; inspecting the electrical connections; and ensuring proper lubrication for motors and bearings.

Perform Regular Water Heater Maintenance

At least once a year, drain a few gallons out of the water heater using the drain valve. If there is a lot of sediment or debris, then a full flush is recommended. Turn the temperature down and then completely drain the tank. Once a year check for any leaks or heavy corrosion on the pipes and valves. For gas water heaters, check the draft hood and make sure it is placed properly, with a few inches of air space between the tank and where it connects to the vent. Look for any corrosion or wear on the gas line and on the piping. If you noticed any black residue, soot or charred metal, this is a sign you may be having combustion issues and you should have the unit serviced by a professional. For electric water heaters, look for any signs of leaking such as rust streaks or residue around the upper and lower panels covering the electrical components on the tank. For water heaters over three to four years old have a technician inspect the sacrificial anode annually.

Plug Load Controls

There are a variety of ways to limit the energy use of plug loads including increasing occupant awareness, removing under-utilized equipment, installing hardware controls, and using software controls. Some control steps to take are to enable the most aggressive power settings on existing devices or install load sensing or occupancy sensing (advanced) power strips. For additional information refer to "Plug Load Best Practices Guide" <http://www.advancedbuildings.net/plug-load-best-practices-guide-offices>.

Water Conservation

Installing low-flow faucets or faucet aerators, low-flow showerheads, and kitchen sink pre-rinse spray valves saves both energy and water. These devices save energy by reducing the overall amount of hot water used hence reducing the energy used to heat the water. The flow ratings for EPA WaterSense™ (<http://www3.epa.gov/watersense/products>) labeled devices are 1.5 gpm for bathroom faucets, 2.0 gpm for showerheads, and 1.28 gpm for pre-rinse spray valves.

Installing dual flush or low-flow toilets and low-flow or waterless urinals are additional ways to reduce the sites water use, however, these devices do not provide energy savings at the site level. Any reduction in water use does however ultimately reduce grid level electricity use since a significant amount of electricity is used to deliver water from reservoirs to end users. The EPA WaterSense™ ratings for urinals is 0.5 gpf and toilets that use as little as 1.28 gpf (this is lower than the current 1.6 gpf federal standard).

Refer to Section 4.1.2 for any low-flow ECM recommendations.

6 ON-SITE GENERATION MEASURES

On-site generation measure options include both renewable (e.g., solar, wind) and non-renewable (e.g., fuel cells) on-site technologies that generate power to meet all or a portion of the electric energy needs of a facility, often repurposing any waste heat where applicable. Also referred to as distributed generation, these systems contribute to Greenhouse Gas (GHG) emission reductions, demand reductions and reduced customer electricity purchases, resulting in the electric system reliability through improved transmission and distribution system utilization.

The State of New Jersey's Energy Master Plan (EMP) encourages new distributed generation of all forms and specifically focuses on expanding use of combined heat and power (CHP) by reducing financial, regulatory and technical barriers and identifying opportunities for new entries. The EMP also outlines a goal of 70% of the State's electrical needs to be met by renewable sources by 2050.

Preliminary screenings were performed to determine the potential that a generation project could provide a cost-effective solution for your facility. Before making a decision to implement, a feasibility study should be conducted that would take a detailed look at existing energy profiles, siting, interconnection, and the costs associated with the generation project including interconnection costs, departing load charges, and any additional special facilities charges.

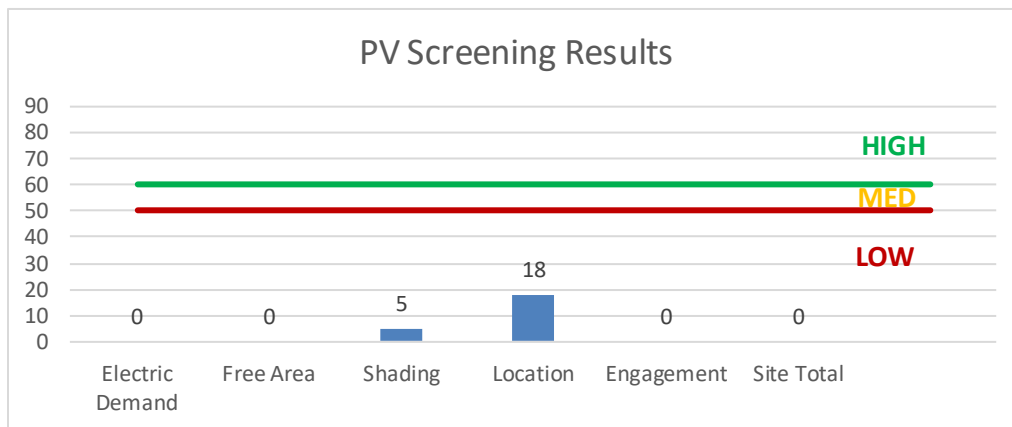
6.1 Photovoltaic

Sunlight can be converted into electricity using photovoltaics (PV) modules. Modules are racked together into an array that produces direct current (DC) electricity. The DC is converted to alternating current (AC) through an inverter. The inverter is interconnected to the facility’s electrical distribution system. The amount of unobstructed area available determines how large of a solar array can be installed. The size of the array combined with the orientation, tilt, and shading elements determines the energy produced.

A preliminary screening based on the facility’s electric demand, size and location of free area, and shading elements shows that the facility has a **low** potential for installing a PV array.

In order to be cost-effective, a solar PV array needs certain minimum criteria, such as flat or south-facing rooftop or other unshaded space on which to place the PV panels. In our opinion, the facility does not appear to meet these minimum criteria for cost-effective PV installation.

Figure 26 - Photovoltaic Screening



Solar projects must register their projects in the SREC (Solar Renewable Energy Certificate) Registration Program prior to the start of construction in order to establish the project’s eligibility to earn SRECs. Registration of the intent to participate in New Jersey’s solar marketplace provides market participants with information about developed new solar projects and insight into future SREC pricing. Refer to Section 8.3 for additional information.

For more information on solar PV technology and commercial solar markets in New Jersey, or to find a qualified solar installer, who can provide a more detailed assessment of the specific costs and benefits of solar develop of the site, please visit the following links below:

- **Basic Info on Solar PV in NJ:** <http://www.njcleanenergy.com/whysolar>
- **NJ Solar Market FAQs:** <http://www.njcleanenergy.com/renewable-energy/program-updates-and-background-information/solar-transition/solar-market-faqs>
- **Approved Solar Installers in the NJ Market:** http://www.njcleanenergy.com/commercial-industrial/programs/nj-smartstart-buildings/tools-and-resources/tradeally/approved_vendorsearch/?id=60&start=1

6.2 Combined Heat and Power

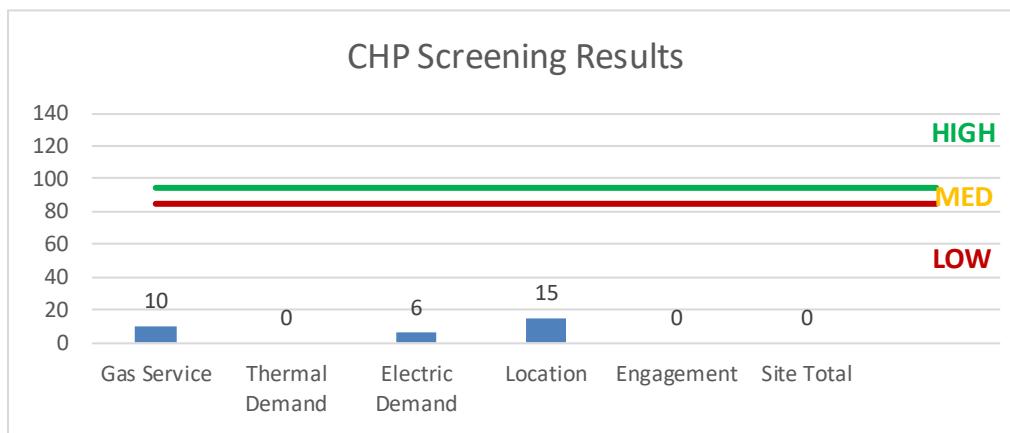
Combined heat and power (CHP) is the on-site generation of electricity along with the recovery of heat energy, which is put to beneficial use. Common technologies for CHP include reciprocating engines, microturbines, fuel cells, backpressure steam turbines, and (at large facilities) gas turbines. Electric generation from a CHP system is typically interconnected to local power distribution systems. Heat is recovered from exhaust and ancillary cooling systems and interconnected to the existing hot water (or steam) distribution systems.

CHP systems are typically used to produce a portion of the electric power used onsite by a facility, with the balance of electric power needs supplied by grid purchases. The heat is used to supplement (or supplant) existing boilers for the purpose of space heating and/or domestic hot water heating. Waste heat can also be routed through absorption chillers for the purpose of space cooling. The key criteria used for screening, however, is the amount of time the system operates at full load and the facility's ability to use the recovered heat. Facilities with continuous use for large quantities of waste heat are the best candidates for CHP.

A preliminary screening based on heating and electrical demand, siting, and interconnection shows that the facility has a **low** potential for installing a cost-effective CHP system.

Lack of gas service, low or infrequent thermal load, and lack of space near the existing boilers are the most significant factors contributing to the potential for CHP at the site. In our opinion, the facility does not appear to meet the minimum requirements for a cost-effective CHP installation.

Figure 27 - Combined Heat and Power Screening



7 DEMAND RESPONSE

Demand Response (DR) is a program designed to reduce the electric load of commercial facilities when electric wholesale prices are high or when the reliability of the electric grid is threatened due to peak demand. Demand Response service providers (a.k.a. Curtailment Service Providers) are registered with PJM, the independent system operator (ISO) for mid-Atlantic state region that is charged with maintaining electric grid reliability.

By enabling grid operators to call upon Curtailment Service Providers and commercial facilities to reduce electric usage during times of peak demand, the grid is made more reliable and overall transmission costs are reduced for all ratepayers. Curtailment Service Providers provide regular payments to medium and large consumers of electric power for their participation in DR programs. Program participation is voluntary and participants receive payments whether or not their facility is called upon to curtail their electric usage.

Typically, an electric customer needs to be capable of reducing their electric demand, within minutes, by at least 100 kW or more in order to participate in a DR program. Customers with a greater capability to quickly curtail their demand during peak hours will receive higher payments. Customers with back-up generators onsite may also receive additional DR payments for their generating capacity if they agree to run the generators for grid support when called upon. Eligible customers who have chosen to participate in a DR programs often find it to be a valuable source of revenue for their facility because the payments can significantly offset annual electric costs.

Participating customers can often quickly reduce their peak load through simple measures, such as temporarily raising temperature set points on thermostats, so that air conditioning units run less frequently, or agreeing to dim or shut off less critical lighting. This usually requires some level of building automation and controls capability to ensure rapid load reduction during a DR curtailment event. DR program participants may need to install smart meters or may need to also sub-meter larger energy-using equipment, such as chillers, in order to demonstrate compliance with DR program requirements.

DR does not include the reduction of electricity consumption based on normal operating practice or behavior. For example, if a company's normal schedule is to close for a holiday, the reduction of electricity due to this closure or scaled-back operation is not considered a demand response activity in most situations.

The first step toward participation in a DR program is to contact a Curtailment Service Provider. A list of these providers is available on PJM's website and it includes contact information for each company, as well as the states where they have active business (<http://www.pjm.com/markets-and-operations/demand-response/csps.aspx>). PJM also posts training materials that are developed for program members interested in specific rules and requirements regarding DR activity (<http://www.pjm.com/training/training%20material.aspx>), along with a variety of other DR program information.

Curtailement Service Providers typically offer free assessments to determine a facility's eligibility to participate in a DR program. They will provide details regarding program rules and requirements for metering and controls, assess a facility's ability to temporarily reduce electric load, and provide details on payments to be expected for participation in the program. Providers usually offer multiple options for DR to larger facilities and may also install controls or remote monitoring equipment of their own to help ensure compliance with all terms and conditions of a DR contract.

High demand is the most significant factor contributing to the potential for a Demand Response application. In our opinion, the facility does not appear to have enough demand for a cost-effective DR measure.

8 PROJECT FUNDING / INCENTIVES

The NJCEP is able to provide the incentive programs described below, and other benefits to ratepayers, because of the Societal Benefits Charge (SBC) Fund. The SBC was created by the State of New Jersey’s Electricity Restructuring Law (1999), which requires all customers of investor-owned electric and gas utilities to pay a surcharge on their monthly energy bills. As a customer of a state-regulated electric or gas utility and therefore a contributor to the fund your organization is eligible to participate in the LGEA program and also eligible to receive incentive payment for qualifying energy efficiency measures. Also available through the NJBPU are some alternative financing programs described later in this section. Please refer to Figure 28 for a list of the eligible programs identified for each recommended ECM.

Figure 28 - ECM Incentive Program Eligibility

Energy Conservation Measure		SmartStart Prescriptive	SmartStart Custom	Direct Install	Pay For Performance Existing Buildings	Large Energy Users Program	Combined Heat & Power and Fuel Cell
ECM 1	Retrofit Fixtures with LED Lamps	x		x			
ECM 2	Install Low-Flow Domestic Hot Water Devices			x			

SmartStart is generally well-suited for implementation of individual measures or small group of measures. It provides flexibility to install measures at your own pace using in-house staff or a preferred contractor. Direct Install caters to small to mid-size facilities that can bundle multiple ECMs together. This can greatly simplify participation and may lead to higher incentive amounts but requires the use of pre-approved contractors. The Pay for Performance (P4P) program is a “whole-building” energy improvement program designed for larger facilities. It requires implementation of multiple measures meeting minimum savings thresholds, as well as use of pre-approved consultants. The Large Energy Users Program (LEUP) is available to New Jersey’s largest energy users giving them flexibility to install as little or as many measures, in a single facility or several facilities, with incentives capped based on the entity’s annual energy consumption. LEUP applicants can use in-house staff or a preferred contractor.

Generally, the incentive values provided throughout the report assume the SmartStart program is utilized because it provides a consistent basis for comparison of available incentives for various measures, though in many cases incentive amounts may be higher through participation in other programs.

Brief descriptions of all relevant financing and incentive programs are located in the sections below. Further information, including most current program availability, requirements, and incentive levels can be found at: www.njcleanenergy.com/ci.

8.1 SmartStart

Overview

The SmartStart program offers incentives for installing prescriptive and custom energy efficiency measures at your facility. Routinely the program adds, removes or modifies incentives from year to year for various energy efficiency equipment based on market trends and new technologies.

Equipment with Prescriptive Incentives Currently Available:

Electric Chillers

Electric Unitary HVAC

Gas Cooling

Gas Heating

Gas Water Heating

Ground Source Heat Pumps

Lighting

Lighting Controls

Refrigeration Doors

Refrigeration Controls

Refrigerator/Freezer Motors

Food Service Equipment

Variable Frequency Drives

Most equipment sizes and types are served by this program. This program provides an effective mechanism for securing incentives for energy efficiency measures installed individually or as part of a package of energy upgrades.

Incentives

The SmartStart prescriptive incentive program provides fixed incentives for specific energy efficiency measures, whereas the custom SmartStart program provides incentives for more unique or specialized technologies or systems that are not addressed through prescriptive incentive offerings for specific devices.

Since your facility is an existing building, only the retrofit incentives have been applied in this report. Custom measure incentives are calculated at \$0.16/kWh and \$1.60/therm based on estimated annual savings, capped at 50% of the total installed incremental project cost, or a project cost buy down to a one year payback (whichever is less). Program incentives are capped at \$500,000 per electric account and \$500,000 per natural gas account, per fiscal year.

How to Participate

To participate in the SmartStart program you will need to submit an application for the specific equipment to be installed. Many applications are designed as rebates, although others require application approval prior to installation. Applicants may work with a contractor of their choosing and can also utilize internal personnel, which provides added flexibility to the program. Using internal personnel also helps improve the economics of the ECM by reducing the labor cost that is included in the tables in this report.

Detailed program descriptions, instructions for applying and applications can be found at: www.njcleanenergy.com/SSB.

8.2 Direct Install

Overview

Direct Install is a turnkey program available to existing small to medium-sized facilities with a peak electric demand that does not exceed 200 kW for any recent 12-month period. You will work directly with a pre-approved contractor who will perform a free energy assessment at your facility, identify specific eligible measures, and provide a clear scope of work for installation of selected measures. Energy efficiency measures may include lighting and lighting controls, refrigeration, HVAC, motors, variable speed drives and controls.

Incentives

The program pays up to 70% of the total installed cost of eligible measures, up to \$125,000 per project. Direct Install participants will also be held to a fiscal year cap of \$250,000 per entity.

How to Participate

To participate in the Direct Install program, you will need to contact the participating contractor assigned to the region of the state where your facility is located. A complete list of Direct Install program partners is provided on the Direct Install website linked below. The contractor will be paid the measure incentives directly by the program which will pass on to you in the form of reduced material and implementation costs. This means up to 70% of eligible costs are covered by the program, subject to program caps and eligibility, while the remaining 30% of the cost is paid to the contractor by the customer.

Since Direct Install offers a free assessment of eligible measures, Direct Install is also available to small businesses and other commercial facilities too that may not be eligible for the more detailed facility audits provided by LGEA.

Detailed program descriptions and applications can be found at: www.njcleanenergy.com/DI.

8.3 SREC Registration Program

The SREC (Solar Renewable Energy Certificate) Registration Program (SRP) is used to register the intent to install solar projects in New Jersey. Rebates are not available for solar projects, but owners of solar projects MUST register their projects in the SRP prior to the start of construction in order to establish the project's eligibility to earn SRECs. Registration of the intent to participate in New Jersey's solar marketplace provides market participants with information about the pipeline of anticipated new solar capacity and insight into future SREC pricing.

After the registration is accepted, construction is complete, and final paperwork has been submitted and is deemed complete, the project is issued a New Jersey certification number which enables it to generate New Jersey SRECs. SREC's are generated once the solar project has been authorized to be energized by the Electric Distribution Company (EDC).

Each time a solar installation generates 1,000 kilowatt-hours (kWh) of electricity, an SREC is earned. Solar project owners report the energy production to the SREC Tracking System. This reporting allows SREC's to be placed in the customer's electronic account. SRECs can then be sold on the SREC Tracking System, providing revenue for the first 15 years of the project's life.

Electricity suppliers, the primary purchasers of SRECs, are required to pay a Solar Alternative Compliance Payment (SACP) if they do not meet the requirements of New Jersey's Solar RPS. One way they can meet the RPS requirements is by purchasing SRECs. As SRECs are traded in a competitive market, the price may vary significantly. The actual price of an SREC during a trading period can and will fluctuate depending on supply and demand.

Information about the SRP can be found at: www.njcleanenergy.com/srec.

8.4 Energy Savings Improvement Program

The Energy Savings Improvement Program (ESIP) is an alternate method for New Jersey's government agencies to finance the implementation of energy conservation measures. An ESIP is a type of "performance contract," whereby school districts, counties, municipalities, housing authorities and other public and state entities enter in to contracts to help finance building energy upgrades. This is done in a manner that ensures that annual payments are lower than the savings projected from the ECMs, ensuring that ESIP projects are cash flow positive in year one, and every year thereafter. ESIP provides government agencies in New Jersey with a flexible tool to improve and reduce energy usage with minimal expenditure of new financial resources. NJCEP incentive programs can be leveraged to help further reduce the total project cost of eligible measures.

This LGEA report is the first step to participating in ESIP. Next, you will need to select an approach for implementing the desired ECMs:

- (1) Use an Energy Services Company or "ESCO."
- (2) Use independent engineers and other specialists, or your own qualified staff, to provide and manage the requirements of the program through bonds or lease obligations.
- (3) Use a hybrid approach of the two options described above where the ESCO is utilized for some services and independent engineers, or other specialists or qualified staff, are used to deliver other requirements of the program.

After adopting a resolution with a chosen implementation approach, the development of the Energy Savings Plan (ESP) can begin. The ESP demonstrates that the total project costs of the ECMs are offset by the energy savings over the financing term, not to exceed 15 years. The verified savings will then be used to pay for the financing.

The ESIP approach may not be appropriate for all energy conservation and energy efficiency improvements. Entities should carefully consider all alternatives to develop an approach that best meets their needs. A detailed program descriptions and application can be found at: www.njcleanenergy.com/ESIP.

Please note that ESIP is a program delivered directly by the NJBPU and is not an NJCEP incentive program. As mentioned above, you may utilize NJCEP incentive programs to help further reduce costs when developing the ESP. You should refer to the ESIP guidelines at the link above for further information and guidance on next steps.

9 ENERGY PURCHASING AND PROCUREMENT STRATEGIES

9.1 Retail Electric Supply Options

In 1999, New Jersey State Legislature passed the Electric Discount & Energy Competition Act (EDECA) to restructure the electric power industry in New Jersey. This law deregulated the retail electric markets, allowing all consumers to shop for service from competitive electric suppliers. The intent was to create a more competitive market for electric power supply in New Jersey. As a result, utilities were allowed to charge Cost of Service and customers were given the ability to choose a third-party (i.e. non-utility) energy supplier.

Energy deregulation in New Jersey has increased energy buyers' options by separating the function of electricity distribution from that of electricity supply. So, though you may choose a different company from which to buy your electric power, responsibility for your facility's interconnection to the grid and repair to local power distribution will still reside with the traditional utility company serving your region.

If your facility is not purchasing electricity from a third-party supplier, consider shopping for a reduced rate from third-party electric suppliers. If your facility is purchasing electricity from a third-party supplier, review and compare prices at the end of the current contract or every couple of years.

A list of third-party electric suppliers, who are licensed by the state to provide service in New Jersey, can be found online at: www.state.nj.us/bpu/commercial/shopping.html.

9.2 Retail Natural Gas Supply Options

The natural gas market in New Jersey has also been deregulated. Most customers that remain with the utility for natural gas service pay rates that are market-based and that fluctuate on a monthly basis. The utility provides basic gas supply service (BGSS) to customers who choose not to buy from a third-party supplier for natural gas commodity.

A customer's decision about whether to buy natural gas from a retail supplier is typically dependent upon whether a customer seeks budget certainty and/or longer-term rate stability. Customers can secure longer-term fixed prices by signing up for service through a third-party retail natural gas supplier. Many larger natural gas customers may seek the assistance of a professional consultant to assist in their procurement process.

If your facility is not purchasing natural gas from a third-party supplier, consider shopping for a reduced rate from third-party natural gas suppliers. If your facility is purchasing natural gas from a third-party supplier, review and compare prices at the end of the current contract or every couple of years.

A list of third-party natural gas suppliers, who are licensed by the state to provide service in New Jersey, can be found online at: www.state.nj.us/bpu/commercial/shopping.html.

Appendix A: Equipment Inventory & Recommendations

Lighting Inventory & Recommendations

Location	Existing Conditions					Proposed Conditions							Energy Impact & Financial Analysis						
	Fixture Quantity	Fixture Description	Control System	Watts per Fixture	Annual Operating Hours	Fixture Recommendation	Add Controls?	Fixture Quantity	Fixture Description	Control System	Watts per Fixture	Annual Operating Hours	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Great Room	25	Linear Fluorescent - T8: 4' T8 (32W) - 2L	Wall Switch	62	2,210	Relamp	No	25	LED - Linear Tubes: (2) 4' Lamps	Wall Switch	29	2,210	0.67	2,060	0.0	\$361.47	\$912.88	\$250.00	1.83
Exit	4	Exit Signs: LED - 2 W Lamp	None	6	8,760	None	No	4	Exit Signs: LED - 2 W Lamp	None	6	8,760	0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00
Office	2	U-Bend Fluorescent - T8: U T8 (32W) - 2L	Wall Switch	62	2,210	Relamp	No	2	LED - Linear Tubes: (4) 2' Lamps	Wall Switch	34	2,210	0.05	140	0.0	\$24.54	\$130.06	\$40.00	3.67
Storage	2	Linear Fluorescent - T8: 4' T8 (32W) - 2L	Wall Switch	62	250	Relamp	No	2	LED - Linear Tubes: (2) 4' Lamps	Wall Switch	29	250	0.05	19	0.0	\$3.27	\$73.03	\$20.00	16.21
Kitchen	2	Linear Fluorescent - T8: 4' T8 (32W) - 2L	Wall Switch	62	250	Relamp	No	2	LED - Linear Tubes: (2) 4' Lamps	Wall Switch	29	250	0.05	19	0.0	\$3.27	\$73.03	\$20.00	16.21
Rest Rooms	2	Linear Fluorescent - T8: 4' T8 (32W) - 2L	Wall Switch	62	250	Relamp	No	2	LED - Linear Tubes: (2) 4' Lamps	Wall Switch	29	250	0.05	19	0.0	\$3.27	\$73.03	\$20.00	16.21
Rest Rooms	2	U-Bend Fluorescent - T8: U T8 (32W) - 2L	Wall Switch	62	250	Relamp	No	2	LED - Linear Tubes: (4) 2' Lamps	Wall Switch	34	250	0.05	16	0.0	\$2.78	\$130.06	\$40.00	32.45
Utility Room	1	U-Bend Fluorescent - T8: U T8 (32W) - 2L	Wall Switch	62	1,000	Relamp	No	1	LED - Linear Tubes: (4) 2' Lamps	Wall Switch	34	1,000	0.02	32	0.0	\$5.55	\$65.03	\$20.00	8.11
Vestibule	1	Incandescent: Chandelier	Wall Switch	120	300	None	No	1	Incandescent: Chandelier	Wall Switch	120	300	0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00
Wall	2	Compact Fluorescent: Wall Jar	Daylight Dimming	13	3,650	Relamp	No	2	LED Screw-In Lamps: LED Screw in lamp	Daylight Dimming	8	3,650	0.01	41	0.0	\$7.24	\$48.42	\$0.00	6.69
Parking lot	4	LED - Fixtures: Large Pole/Arm-Mounted Area/Roadway Fixture	Daylight Dimming	78	3,650	None	No	4	LED - Fixtures: Large Pole/Arm-Mounted Area/Roadway Fixture	Daylight Dimming	78	3,650	0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00

Motor Inventory & Recommendations

Location	Area(s)/System(s) Served	Existing Conditions						Proposed Conditions				Energy Impact & Financial Analysis						
		Motor Quantity	Motor Application	HP Per Motor	Full Load Efficiency	VFD Control?	Annual Operating Hours	Install High Efficiency Motors?	Full Load Efficiency	Install VFDs?	Number of VFDs	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Above Ceiling	Whole Building	2	Supply Fan	0.9	65.0%	No	1,100	Yes	81.1%	No		0.21	320	0.0	\$56.06	\$826.10	\$0.00	14.74

Electric HVAC Inventory & Recommendations

Location	Area(s)/System(s) Served	Existing Conditions				Proposed Conditions							Energy Impact & Financial Analysis							
		System Quantity	System Type	Cooling Capacity per Unit (Tons)	Heating Capacity per Unit (kBtu/hr)	Install High Efficiency System?	System Quantity	System Type	Cooling Capacity per Unit (Tons)	Heating Capacity per Unit (kBtu/hr)	Cooling Mode Efficiency (SEER/EER)	Heating Mode Efficiency (COP)	Install Dual Enthalpy Economizer?	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Outside	one half of building	1	Split-System AC	5.00		Yes	1	Split-System AC	5.00		14.00		No	0.62	932	0.0	\$163.46	\$7,481.10	\$460.00	42.95
Outside	one half of building	1	Split-System AC	5.00		No							No	0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00

Fuel Heating Inventory & Recommendations

Location	Area(s)/System(s) Served	Existing Conditions			Proposed Conditions							Energy Impact & Financial Analysis							
		System Quantity	System Type	Output Capacity per Unit (MBh)	Install High Efficiency System?	System Quantity	System Type	Output Capacity per Unit (MBh)	Heating Efficiency	Heating Efficiency Units	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years		
Above Drop Ceiling	Entire Building	2	Furnace	100.00	No								0.00	0	0.0	\$0.00	\$0.00	\$0.00	0.00

DHW Inventory & Recommendations

Location	Area(s)/System(s) Served	Existing Conditions		Proposed Conditions						Energy Impact & Financial Analysis						
		System Quantity	System Type	Replace?	System Quantity	System Type	Fuel Type	System Efficiency	Efficiency Units	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years
Mechanical Room	Entire Building	1	Storage Tank Water Heater (≤ 50 Gal)	Yes	1	Storage Tank Water Heater (≤ 50 Gal)	Natural Gas	80.00%	EF	1.35	859	-2.9	\$120.40	\$2,812.80	\$50.00	22.95


Low-Flow Device Recommendations

Location	Recommendation Inputs				Energy Impact & Financial Analysis							
	Device Quantity	Device Type	Existing Flow Rate (gpm)	Proposed Flow Rate (gpm)	Total Peak kW Savings	Total Annual kWh Savings	Total Annual MMBtu Savings	Total Annual Energy Cost Savings	Total Installation Cost	Total Incentives	Simple Payback w/ Incentives in Years	
Rest Rooms	2	Faucet Aerator (Lavatory)	2.00	1.00	0.00	0	2.4	\$25.24	\$14.34	\$0.00	0.57	

Plug Load Inventory

Location	Existing Conditions			
	Quantity	Equipment Description	Energy Rate (W)	ENERGY STAR Qualified?
Great Room	2	Large Screen TV	150.0	No
Great Room	4	Desktop PCs	80.0	No
Great Room	4	LCD monitors	80.0	No
Office	2	Desktop PCs	80.0	No
Office	2	LCD monitors	80.0	No
Office	1	Printer	50.0	No
Great Room	1	Printer	50.0	No
Kitchen	1	Microwave	900.0	No
Kitchen	1	Induction Stove top	2,000.0	No
Kitchen	1	Electric Oven	2,000.0	No
Kitchen	1	Refrigerator	570.0	No

Appendix B: ENERGY STAR® Statement of Energy Performance


ENERGY STAR® Statement of Energy Performance

N/A

Samuel S. Devico Senior Center

Primary Property Type: Social/Meeting Hall
 Gross Floor Area (ft²): 3,528
 Built: 1999

For Year Ending: October 31, 2017
 Date Generated: September 16, 2018

ENERGY STAR® Score¹

1. The ENERGY STAR score is a 1-100 assessment of a building's energy efficiency as compared with similar buildings nationwide, adjusting for climate and business activity.

Property & Contact Information

Property Address Samuel S. Devico Senior Center 23 Romney Place Cape May Court House, New Jersey 08210	Property Owner Township of Middle 33 Mechanic Street Cape May Court House, NJ 08210 609-465-8732	Primary Contact Elizabeth Terenik 33 Mechanic Street Cape May Court House, NJ 08210 609-465-8732 eterenik@middletownship.com
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Property ID: 6542597

Energy Consumption and Energy Use Intensity (EUI)

Site EUI 41.1 kBtu/ft ²	Annual Energy by Fuel Natural Gas (kBtu) 84,687 (58%) Electric - Grid (kBtu) 60,320 (42%)	National Median Comparison National Median Site EUI (kBtu/ft ²) 61.6 National Median Source EUI (kBtu/ft ²) 109.6 % Diff from National Median Source EUI -33%	
Source EUI 73.1 kBtu/ft ²	Annual Emissions Greenhouse Gas Emissions (Metric Tons CO2e/year) 11		

Signature & Stamp of Verifying Professional

I _____ (Name) verify that the above information is true and correct to the best of my knowledge.

Signature: _____ Date: _____

Licensed Professional

() _____

Professional Engineer Stamp
(if applicable)