

Deborah Petrisko

From: ILight8@aol.com
Sent: Monday, February 25, 2013 12:36 PM
To: publiccomments@njcleanenergy.com
Subject: re: NJCEP - comment

Hi,

I'd like to know how it is that T12's incentives are included still for D/I & P4P, yet / and eliminated for Prescriptive.

I'd prefer all things be equal & fair.

Thank you.

Meredith Nole, MIES - Cell-862-220-1406

IESNJ President 2012-2013

American Efficient Lighting

Efficient Lighting Expert

Certified Energy Auditor

Wholesale Lighting Supplies

SSL lighting partner

American Efficient Lighting is a NYSEDA Business Partner in the Commercial Lighting

Program and delivers *The Right LightSM* to our clients.

www.linkedin.com/pub/meredith-nole/12/8aa/724

''' Be Kinder than necessary . . '''

Deborah Petrisko

From: Michael Cromer [mcromer@dynamicenergyusa.com]
Sent: Monday, February 25, 2013 8:55 AM
To: publiccomments@njcleanenergy.com
Subject: "proposed changes to 2012-2013 NJCEP programs and budget"

I don't agree with the \$5.5M reduction in the CHP budget. CHP installations are vital to providing reliable base load energy to end users while taking enormous strain off the grid. These projects take 12 – 18 months to get off the ground. The initial hurdle of conducting a \$10-\$20,000 engineering study just to determine if CHP will work, is the main issue. While I realize applications are not pouring in, I do believe we are at the beginning of a dynamic movement toward commercial CHP development. It would be ashamed to hit this program the hardest with budget cuts.

Regards,

MICHAEL R. CROMER, P.G.
SR. VICE PRESIDENT

O: 484.323.1180 | F: 610.276.5403 | dynamicenergyusa.com
1550 Liberty Ridge Drive, Suite 310, Wayne, PA 19087
mcromer@dynamicenergyusa.com



Deborah Petrisko

From: ILight8@aol.com
Sent: Saturday, February 23, 2013 7:15 AM
To: publiccomments@njcleanenergy.com
Subject: NJCEP - proposed changes - questions

Hello,
I have 2 questions at this time.

- # 1). How do you define Lighting Partners
- # 2). T12 rebates are eliminated March 1, 2013 -- are T12 changeouts included in D/I.

I support your ability to be flexible & change / adjust as you see fit.

Regards,
Meredith Nole

Meredith Nole, MIES - Cell-862-220-1406

IESNJ President 2012-2013

American Efficient Lighting

Efficient Lighting Expert

Certified Energy Auditor

Wholesale Lighting Supplies

SSL lighting partner

American Efficient Lighting is a NYSEDA Business Partner in the Commercial Lighting Program and delivers *The Right LightSM* to our clients.

www.linkedin.com/pub/meredith-nole/12/8aa/724

''' Be Kinder than necessary . . '''

March 5, 2013

Michael Winka
Senior Policy Advisor, New Jersey Board of Public Utilities
POB 350 - 44 S Clinton Ave
Trenton, NJ 08625-0350

Re: Response to the New Jersey Board of Public Utilities Request for Comment on the Proposed 2012-2013 New Jersey Clean Energy Program (NJCEP) Budget Changes

Comments of ClearEdge Power

Dear Mr. Winka:

ClearEdge Power submits the following comments based on the public request from the New Jersey Board of Public Utilities related to the proposed 2012-2013 New Jersey Clean Energy Program (NJCEP) budget changes.

Respectfully submitted,



Katrina M. Fritz
Business Development and Public Affairs

STATE OF NEW JERSEY

BOARD OF PUBLIC UTILITIES

PROPOSED 2012-2013 NEW JERSEY CLEAN ENERGY PROGRAM BUDGET CHANGES

COMMENTS OF CLEAREDGE POWER**I. Introduction**

ClearEdge Power is a company located in South Windsor CT, and Hillsboro, OR, employing 444 people in the development, design, production and service of fuel cell technology for use in stationary and transportation applications. We appreciate the opportunity to comment on the 2012-2013 funding level for the small fuel cell and combined heat and power program in the State of New Jersey.

We offer the following as comments with regard the proposed 2012-2013 NJCEP program budgets provided by the New Jersey Board of Public Utilities.

II. Comments**A. Changes to the CHP/Fuel Cell Budget in 2012-2013**

The suggested \$5.5M decrease in the small fuel cell/combined heat and power budget should be reconsidered by the New Jersey Board of Public Utilities. Distributed generation projects using fuel cell systems typically require between 12 and 18 months to properly qualify, develop and contract. Incentive funding stability is critical to early project phases, such as qualification and development. If drastic budget changes occur during the initial project discussions, energy consumers considering the use of fuel cell systems at their site may withdraw from an excellent project because they are unsure of the State's commitment to the program and the technology.

The small fuel cell program has not be reinstated for a significant period of time, as it was refunded with \$20M in January 2012 after being closed for several years prior. When the program was reopened, the development of in-state fuel cell projects was reinvigorated. Now, only a year later, the State is considering a second decrease in the budget because funds have not been adequately utilized. This decision would drastically underestimate the market demand for fuel cell projects simply because the development time is longer than 12 months.

Additionally, the market demand for fuel cells in New Jersey has increased in part due to the significant advantages they offer during grid outages. During Hurricane Sandy, twenty-three PureCell® systems installed in the region continued to provide power and heat throughout the storm. Several of the PureCell® systems operated for days without the grid, allowing customers to maintain basic business operations, provide hot water and keep the lights on. Without stationary fuel cells, these businesses would have lost revenue and the community would not have had access to critical services during that difficult time. Therefore, a decrease in the fuel cell budget is counter to the intent of making budget adjustments to ultimately improve the State's grid resiliency. The key to a long term strategy for the State will be the continuation of

clean DG programs, indicating New Jersey's commitment to the Energy Master Plan and the State's resiliency goals in the aftermath of Hurricane Sandy.

Maintaining dedicated funding for distributed generation programs sends a clear message to the market, allowing project developers adequate time to develop high-quality, long term projects. A stable, committed program is required for at least 5 years to make an appreciable impact.

III. Conclusion

Thank you for the opportunity to comment on the proposed 2012-2013 New Jersey Clean Energy Program (NJCEP) budget changes by the New Jersey Board of Public Utilities. We would be pleased to provide you with additional information or clarification as needed.

Respectfully Submitted:

By:  _____

Katrina M. Fritz
Business Development and Public Affairs
ClearEdge Power
195 Governor's Highway
South Windsor, CT 06074
Phone: 860-338-1303
Email: katrina.fritz@clearedgepower.com

March 5, 2013



State of New Jersey
DIVISION OF RATE COUNSEL
31 CLINTON STREET, 11TH FL
P. O. BOX 46005
NEWARK, NEW JERSEY 07101

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

STEFANIE A. BRAND
Director

March 5, 2013

Via Overnight Delivery and Electronic Mail

Honorable Kristi Izzo, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

**Re: The OCE's Proposed Changes to the NJCEP
2012-2013 Programs and Budgets
(dated February 22 & 26, 2013)
BPU Docket No. EO11050324V**

Dear Secretary Izzo:

Enclosed please find an original and ten copies of the Comments submitted on behalf of the New Jersey Division of Rate Counsel ("Rate Counsel") in connection with the above-captioned matter. Copies of the comments are being provided to all parties on the e-service list by electronic mail and hard copies will be provided upon request to our office.

We are enclosing one additional copy of the comments. Please stamp and date the extra copy as "filed" and return it in our self-addressed stamped envelope.

Honorable Kristi Izzo, Secretary
March 5, 2013
Page 2

Thank you for your consideration and assistance.

Respectfully submitted,

STEFANIE A. BRAND
Director, Division of Rate Counsel

By:



Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

Encl.

c: OCE@bpu.state.nj.us
publiccomments@njcleanenergy.com
Michael Winka, BPU
Mona Mosser, BPU
Scott Hunter, BPU
Alice Bator, BPU
Tricia Caliguire, Esq., BPU
Rachel Boylan, Esq., BPU
Marisa Slaten, DAG

**The OCE's Proposed Changes to the
NJCEP 2012-2013 Programs and Budgets
(dated February 22 & 26, 2013)**

BPU Docket No. EO11050324V

**Comments of the
New Jersey Division of Rate Counsel**

March 5, 2013

The Division of Rate Counsel ("Rate Counsel") would like to thank the Board of Public Utilities ("BPU" or "the Board") for the opportunity to present comments on the proposed changes to the Board-approved 2012-2013 Clean Energy Program ("CEP") energy efficiency ("EE") program budget, which were circulated to stakeholders for comment by the Applied Energy Group on behalf of the Office of Clean Energy ("OCE") in an e-mail notice issued February 22, 2013, and subsequently revised on February 26, 2013 ("Request for Comments"). Rate Counsel's comments and recommendations regarding the February 26, 2013 Request for Comments are set forth below.

Overall Budget and Proposed Transfers

As a general recommendation, Rate Counsel suggests that the OCE should make it clear whether such budget estimates are based on historical trends for specific programs, specific circumstances for the program timeframe the OCE is concerned about, and/or proposed program changes. In this Request for Comments, the OCE has provided insufficient information to support its proposed increases to the budget for some programs and not others, and has provided neither the data nor a clear description of the methodology underlying its recommendations. For instance, it is not clear whether many of the proposed transfers and increases are related to post-Hurricane Sandy recovery or other initiatives. If the proposals are related to post-Hurricane

Sandy recovery, the OCE should clearly state so. In column (f) of the table on page 2 of the Request for Comments, the OCE presented estimates of expenditures through June 30, 2013. It is not clear how the OCE developed these estimates, nor whether the estimated expenditures include increased incentives related to the storm response efforts.

Moreover, the reasoning underlying the specific budget transfers proposals shown in column (c) in the table on the bottom of page 7 cannot be readily inferred from the estimated budget overrun or under-run amounts shown in column (j) of the table on page 2. Absent any supporting information, the proposal to increase the residential HVAC budget by \$3.25 million is puzzling given that the OCE is projecting \$3.2 million in unspent funds for that program through June 2013. Likewise, it does not appear reasonable that the OCE is only proposing to transfer \$1.8 million in funds to the Home Performance with Energy Star program (“HPwES”), if it believes that the program will have a \$2.3 million deficit by the end of June as shown on page 2. Furthermore, its proposal to increase marketing activity for HPwES would only increase that deficit. Lastly, while the OCE’s proposal to increase the budget for the New Construction program appears reasonable since it has already spent and committed the total budget, the recommendation to accelerate contractor participation appears unnecessary, given the absence of supporting information. The OCE should provide more information to support its proposed budget transfers before it submits its proposal to the Board. Given this limited information, the following comments recommend more information to support the OCE’s proposals.

Energy Efficient Products

The OCE has proposed to restart the direct mail-in rebate of \$50 per energy efficient clothes washer or refrigerator, while increasing target quantities for mid-stream incentives for

these measures. The OCE should provide the basis for restarting these mail-in rebate programs, and circulate it among stakeholders for comment before it proposes the change for the Board's consideration.

Residential Marketing

The Request for Comments contains a proposal to increase the “co-op marketing percentage” for qualifying advertising from 25% to 40% for the HVAC program, from 40% to 50% for HPwES, and from 25% to 40% for the Residential New Construction program.

Rate Counsel has consistently supported the OCE's efforts to market its programs to residential ratepayers, as part of overall efforts to increase participation, continue to promote transformation of the market, and help to overcome the fundamental barriers to participation (e.g., information, access to incentives) seen especially by smaller customers. However, the Request for Comments does not attempt to quantify the impact that the proposed increases in the co-op marketing percentages would have on participation in the three affected programs. In addition, the term “co-op marketing percentage” is not defined in either the Request for Comments or in the most recent (January 17, 2013) compliance filing by Honeywell. It is difficult for Rate Counsel to comment on these proposals in the absence of this information. The OCE should clearly define and justify the basis for the proposed marketing changes before it submits its proposal to the Board, which should include the identification of the current barriers to increased participation, and to what extent the proposed change in marketing would increase participation.

Direct Install

The OCE proposed to increase the per project incentive cap by 66% from \$75,000 to \$125,000, and to increase the existing kW limit from 150 kW to 200 kW. Without knowing the reasons for these changes, Rate Counsel cannot comment whether these changes are necessary. The proposed change to the maximum incentive is so significant that it warrants detailed explanation. Such an explanation should address, for example, what percent of Direct Install participants are reaching the current \$75,000 project incentive cap, and whether there are indications that participants are not implementing cost effective measures as a result of the cap.

Increasing the existing kW limit from 150 kW to 200 kW is likewise significant, because it may allow customers to avoid making the deeper, more comprehensive upgrades required to participate in the Pay for Performance program. Before the OCE proposes the change to the Board, it should provide the rationale for the changes and allow opportunity for stakeholders to provide comment.

Smart Start Equipment

The OCE proposes to extend the incentives for Food Service energy efficiency measures to all eligible customers beyond those affected by Hurricane Sandy. Before expending incentives for Food Service energy efficiency measures to the entire state, the OCE should circulate results of benefit cost analyses and/or other supporting information for those measures. Only after stakeholders have had opportunity to comment should the OCE present its proposal before the Board.

Program Coordinator

On page 6 of the Request for Comments, the OCE recommends transferring \$750,000 to the Program Coordinator budget from the OCE Staff and Overhead budget, as “the remaining funds in the OCE Staff and Overhead budget are estimated to be sufficient to meet anticipated program demand.” In addition, the OCE should explain how the OCE plans to spend \$750,000 additional budget for the Program Coordinator task given that this task involves numerous sub-tasks such as maintaining the IMS system, preparation of monthly and annual reports, hosting and maintaining the NJCEP website, evaluation support, and hosting the statewide 800 number and provision of call center services, among others.

Conclusion

Given the lack of information on the basis for the spending estimates through June 2013, and the absence of clear explanations for its recommended budget transfers, it is difficult for Rate Counsel to comment on or propose specific changes to the OCE proposal. Before the OCE proposes these changes to the Board, it should provide the basis (i.e., rationales and supporting data) for the changes and provide an opportunity for stakeholders to provide meaningful comments.



VIA ELECTRONIC MAIL

March 5, 2013

Hon. Kristi Izzo, Secretary
New Jersey Board of Public Utilities
44 So. Clinton Ave., 7th Floor
P.O. Box 350
Trenton, NJ 08625

Re: IN THE MATTER OF THE COMPREHENSIVE ENERGY EFFICIENCY AND
RENEWABLE ENERGY RESOURCE ANALYSIS FOR THE
2009-2012: 2012 PROGRAMS AND BUDGETS
COMPLIANCE FILINGS:
BPU DOCKET NO. EO11100631V

Dear Secretary Izzo:

New Jersey Natural Gas (“NJNG”) has reviewed the February 22, 2013 Proposal for Changes to the New Jersey’s Clean Energy Program (“NJCEP”) 2012-2013 budget and some related programmatic changes. NJNG appreciates the Board of Public Utilities’ (“Board”) effort to obtain stakeholder input on plans for revised 2012-2013 NJCEP spending and programming. NJNG would like to submit comments on the following key areas:

Energy Efficient Products

- NJNG supports the proposal to offer an energy-efficient refrigerator rebate. Over the past few months, NJNG has been extremely active in outreach events focused on assisting customers affected by Superstorm Sandy. Given the level of frustration that many customers face sorting through other programs and insurance claims, they are extremely grateful for the straightforward NJCEP incentives and the financial benefit

that they provide. At these events, we frequently have customers asking about other equipment. While we have been able to generally recommend ENERGYSTAR products to these customers, having a specific NJCEP incentive may have a much stronger influence on customer purchasing decisions. After our interactions at such outreach events, customers often consider the minimum efficiency requirements to qualify for rebates on other equipment as a threshold for the type of equipment they will be looking to purchase in order to qualify for the available rebates.

- NJNG also supports the proposal to expand lighting incentives and specifically the Green New Jersey Resource Team (“GNRT”). Just as Superstorm Sandy-affected homeowners must replace equipment and appliances, many need to purchase new lighting fixtures and light bulbs as well. We have seen local storm resource listings reference the need for lighting products in their virtual furniture bank listings. The GNRT model with its’ “pop-up” store concept should be able to be effectively deployed in storm-affected areas to help fill that need and also provide a venue to notify more customers about the availability of the other NJCEP programs and companion utility programs.

Co- Op Marketing

NJNG supports the temporary increase in co-op marketing as well. With such a significant increase in the number of customers seeking to replace equipment statewide, it is helpful to have a strong presence in the marketplace to influence those decisions.

Direct Install

While NJNG recognizes that the proposed changes to both the incentive cap and the qualifications for an eligible facility will help reach more customers and achieve potentially deeper savings, NJNG suggests that the Board only consider this change if there is an expectation that NJCEP will be able to maintain these higher levels for the next NJCEP program year beginning July 1st. The incentive levels and qualifications have been changed

several times over the past few years and we believe that any short term change could create more confusion in the marketplace.

Expansion of Smart Start

NJNG supports the expansion of the Food Service incentives. Expanding the availability of these incentives statewide may even make marketing such incentives to the storm-affected areas more effective because we will be able more effectively engage supporting stakeholder organizations that serve this market.

Budget Modifications

NJNG recognizes that NJCEP needs to shift funding in order to accommodate the proposed changes and that consideration has been given to the current pace of spending within each program category. However, NJNG would like to express some concern regarding the transfer of \$5.5 million from the Combined Heat and Power (“CHP”) program. We have been actively participating in the Board’s CHP working group and have heard the trade allies mention repeated concerns about stability in the program, especially given the much longer lead times necessary for these projects to be coordinated at the customer level given the magnitude of the necessary investment levels. If the Board does feel the need to transfer such funding, we would request that the Board provide some signals and guidance regarding the longer term commitment to this market, including the potential to separately show a proposed funding level for CHP through the pending release of an updated straw proposal for the 4-year funding proposal for Comprehensive Resource Analysis (“CRA”) program for 2014 to 2017.

Further, NJNG strongly supports the concept of the Storm Response Contingency budget. Given the tremendous customer need but the complicating factors of insurance, FEMA programs, and elevation issues, it is very difficult to predict the timing of when customers will be in a position to participate in NJCEP programs. Providing such budget

flexibility will allow Board Staff to be responsive to the needs of the marketplace if one program has a stronger or faster response-time than originally projected.

New Jersey Natural Gas is grateful to have had the opportunity to share our thoughts on these proposals. Please contact me if you have any questions or need additional information regarding our comments.

Sincerely,



Anne-Marie Peracchio

Director- Conservation and Clean Energy Policy

Cc: Elizabeth Ackerman, BPU
Michael Winka, BPU
Michael Ambrosio, AEG
Mona Mosser, BPU
oce@bpu.state.nj.us

Comments on

“Proposed Changes to 2012-2013 NJCEP Programs and Budget”

By Stuart Hickox

President, One Change
(Project Porchlight Inc.)

March 5, 2013

Introduction

The One Change Foundation applauds the changes to the NJCEP 2012-2013 programs and budgets outlined in the memo of February 22, 2013. Since 2008, we have been proud to help build public awareness of the New Jersey Clean Energy Programs. The networks of community partners that we created on your behalf can be quickly reactivated to provide a positive, visible public engagement push to generate greater participation in NJCEP initiatives during the first half of 2013.

The Power of Person-to-Person

One Change’s specialty is carefully designed and executed person-to-person engagements to promote energy efficiency. We propose to use this channel to drive demand for selected NJCEP programs between now and June 30, 2013. The menu of specific programs would be chosen in consultation with NJCEP and its contractors.

One Change has the proven ability to quickly plan and execute high-profile community events. We propose a series of these events to promote select NJCEP programs. The events would recruit community organization partners, inform the public, engage volunteers, and sign up NJCEP participants on site. This outreach would be framed within an appeal to citizens of New Jersey to step forward and help their neighbors and their state recover from Superstorm Sandy.

Background

One Change has been a partner and supporter of NJCEP since first being awarded a contract under the creative lighting RFP in 2008. Our flagship program, NJ Project Porchlight, engaged over 3,600 volunteers from over 300 community organizations and municipalities to reach 1.4 million NJ households with the NJCEP brand and a simple



Simple actions matter.™

action, installing a CFL. Between 2008 and last fall, One Change (operating in NJ under Project Porchlight Inc. 501©3), employed over 250 Newjerseyites. We reinvested hundreds of thousands of dollars of NJCEP funds into the local economy through procurement of goods and services to support our outreach efforts. In concert with NJCEP, we also leveraged Project Porchlight to successfully promote other NJCEP initiatives including the existing refrigerator recycling program, the PSE&G small commercial programmable thermostat program, and NJ Home Performance with ENERGY STAR. Although we closed our New Jersey office in October 2012, we retain the contacts and other resources needed to quickly restart operations.

Conclusion

Every day, One Change receives calls and emails from NJ community organizations asking how they can help us promote NJCEP messages in 2013. We are excited by the proposed changes to the 2012-2013 funding envelope because we know the potential of these networks to drive participation in NJCEP programs by June 2013.

We have consistently delivered on our promises to generate positive and sustained visibility for NJCEP. For a very reasonable cost, One Change can deliver measurable results, positive customer engagement, and strong brand lift for the entire NJCEP program envelope. It's a formula that has worked well before in NJ, and a challenge that we would embrace again.

Should this general proposal be of interest to the NJCEP, we would like to meet to discuss specific tactics, program messages, measures and budgets to deliver these results by the end of June 2013.

Stuart@onechange.org
613 232-5892 x 456