

VIA ELECTRONIC MAIL (publiccomments@njcleanenergy.com)

January 11, 2016

Hon. Irene Kim Asbury, Secretary N.J. Board of Public Utilities 44 South Clinton Avenue, 3rd Floor, Suite 314 P.O. Box 350 Trenton, NJ 08625-0350

Request for Comments on Proposed Modifications to the NJCEP Budget

Dear Secretary Asbury:

New Jersey Natural Gas Company ("NJNG") has reviewed the December 28, 2015 Memo from the New Jersey Board of Public Utilities Office of Clean Energy ("OCE") that Proposed Modifications to the New Jersey's Clean Energy Program ("NJCEP") Budget for Fiscal 2016 ("Proposal"). Overall, NJNG appreciates the proposals thoughtful consideration of shifting budgets to accommodate program participation levels and to adequately plan for a smooth transition to the new administrative structure. Through this submission, NJNG hereby provides comments related to two elements of the Proposal.

Comfort Partners

NJNG appreciates that the Proposal reallocates Comfort Partners funding among the utilities. In accordance with the recommendations of the recent independent program evaluation of the Comfort Partners Program, our team is pursuing deeper energy savings for our participating customers. This transfer of funds will allow us to continue to serve customers in that manner.

Direct Install

The SAVEGREEN Project®, NJNG's own energy efficiency program, closely supports the Direct Install Program by offering companion On-Bill Repayment Program opportunities to eligible customers in our service territory. NJNG understands the transition considerations that have resulted in program not being able to accept new commitments at this time. NJNG is

anxious to help continue to serve this market as soon as the program reopens and appreciates that the Proposal retains \$9 million in funding to do so.

NJNG appreciates the opportunity to provide comments on the Proposal. Please feel free to contact me if you need any additional information regarding these comments.

Respectfully submitted,

Anne-Marie Peracchio

Director- Conservation and Clean Energy

Cc: publiccomments@NJCleanEnergy.com



Secil Uztetik Onat Executive Director Economic Development & Emerging Issues

State of New Jersey Board of Public Utilities 44 So. Clinton Avenue, 9th Floor – P.O. Box 350 Trenton, New Jersey 08625-0350

Re: Request for Comments on Proposed Modifications to the NJCEP Budget in the Matter of the Clean Energy Program Commercial & Industrial Energy Efficiency Programs – Combined Heat & Power and Fuel Cells

Office of Clean Energy:

This letter is to <u>support</u> the proposed changes by the Office of Clean Energy to the New Jersey Clean Energy Program (NJCEP) budget.

Unison Energy installs, owns, and operates Combined Heat and Power (CHP) co-generation solutions for supermarkets, refrigerated distribution centers, food processing facilities, hospitality, data centers, and healthcare facilities. Customer benefits include: lower energy costs, increased reliability, a reduction in carbon footprint. CHP solutions have been widely implemented in one-off projects and currently provides 8% of power generation capacity in the U.S. today. Unison is making a good model better by (i) standardizing our CHP solutions to reduce engineering and capex costs, (ii) placing +65% of our system capex in modularized containers providing flexibility for future configuration changes to our equipment, the property and potential asset recovery scenario's and, iii) centralizing monitoring and dispatched field services to reduce O&M costs and maximize our customers business uptime.

During Hurricane Sandy in October 2012, many New Jersey businesses lost power for days and, as a result, lost product inventory and could not be open for business to serve their customers. One Unison customer, the Wakefern grocery cooperative, experienced store power outages at +200 out of +300 ShopRite member stores; incurring millions of dollars of damage and lost inventory and, as importantly, were unable to support the New Jersey communities they serve with food and other grocery supplies at a time when New Jersey had declared a state of emergency. Approximately +170 of Wakefern's ShopRite supermarkets are in the State of New Jersey making Wakefern's member companies the largest



grocery chain in New Jersey as well as the largest employer in New Jersey (+36,000 employees). Since Hurricane Sandy, Unison has been working with Wakefern's ShopRite cooperative members on CHP energy solutions. To date, three ShopRite owners have applied to the New Jersey Clean Energy Program (NJCEP) and been approved under the NJCEP Combined Heat and Power program. As of December 11, 2015, Wakefern members / partners, including the largest Diary processing facility in the State of New Jersey, have an additional five applications under review by NJCEP / NJPBU that will be positively impacted by the proposed changes to the New Jersey Clean Energy Program (NJCEP) Budget. Unison expects that in 2016 many additional grocery stores will apply under the NJCEP Combined Heat and Power program which will positively impact the resiliency of New Jersey's food chain.

As a part of its existing pending applications before NJCEP and the potential to deploy CHP systems to improve the energy economics and resiliency of critical commercial and service infrastructure in New Jersey, Unison Energy fully endorses and supports the proposed changes by the Office of Clean Energy to the New Jersey Clean Energy Program budget and encourages the Bureau of Public Utilities to consider a larger budget for FY 2017 - 2018.

Please feel free to contact us if you have any questions.

Best regards,

Andrew C. Cooper Andy Cooper

Co-CEO

Unison Energy, LLC



Doosan Fuel Cell America, Inc. 195 Governor's Highway South Windsor, CT 06074 T - 860 727 2200

January 11, 2016

Ms. Secil Uztetik Onat Executive Director Office of Clean Energy State of New Jersey Board of Public Utilities 44 S. Clinton Avenue Trenton, NJ 08625

Dear Ms. Onat:

Doosan Fuel Cell America, Inc. is a new fuel cell company founded on the strength of the people and technology developed at United Technologies over the past fifty years. In July 2014, Doosan Corporation acquired the assets of ClearEdge Power (formerly UTC Power). We are building on the value of the organization and aspire to be the technology and market leader in the fuel cell industry.

Doosan Fuel Cell is a global leader in providing clean, continuous-duty, cost-competitive stationary fuel cell energy systems. Our combined heat and power (CHP) PureCell® systems operate 24/7 with high efficiency and ultra-low emissions, allowing our customers to generate their own electricity and heat on-site while reducing their utility expenses and environmental emissions. With over 12 million fleet operating hours, PureCell® phosphoric acid fuel cell (PAFC) systems have demonstrated unparalleled durability and reliability.

The State of New Jersey is one of the most important markets for the emerging fuel cell sector, and fuel cells are contributing greatly to New Jersey's goals of reducing greenhouse gas emissions, reducing peak load, and improving the reliability of the electric utility system. Doosan currently operates five units, supplying 2 MW of clean and secure power to a major telecommunications company, and there is significant possibility of installing additional systems to a variety of industries and customers.

Doosan appreciates the opportunity to provide comments on the proposed changes to the New Jersey Clean Energy Program (NJCEP) budget. We are encouraged that the CHP-Fuel Cells program has experienced a higher than expected participation level since the beginning of FY2016. Therefore, Doosan agrees with the staff recommendation to reallocate more than \$19 million of program budget in order to consider all of the projects submitted prior to December 11, 2015, when the program stopped accepting new applications.



Doosan Fuel Cell America, Inc. 195 Governor's Highway South Windsor, CT 06074 T - 860 727 2200

Doosan is working with potential numerous customers such as hospitals, universities, hotels and industrial facilities to submit fuel cell project applications. Therefore, we would recommend additional money be made available to the CHP-Fuel Cells program, now and in the future.

Stationary fuel cells are a valuable contributor to the State's clean energy strategy, providing power that is continuous, efficient and resilient. Doosan continues to support the New Jersey Energy Master Plan (EMP) and believes that fuels cells will play a major role in providing on-site distributed generation, as well as improving critical infrastructure, that have been made vulnerable due to such incidents as Superstorm Sandy.

Doosan Fuel Cell looks forward to working with State of New Jersey on these important issues.

Sincerely,

David Giordano

Federal & State Government Relations



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MURRAY E. BEVAN mbevan@bmg.law

January 11, 2016

VIA ELECTRONIC AND REGULAR MAIL

The Honorable Irene Kim Asbury
Secretary, Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
publiccomments@njcleanenergy.com

Re: Proposed Changes to the NJCEP Budget

Dear Secretary Asbury:

On behalf of our client, Bloom Energy Corporation ("Bloom Energy")¹, please accept these comments regarding the Board of Public Utilities' ("Board's") Proposed Modifications to the Fiscal Year 2016 ("FY16") New Jersey Clean Energy Program ("NJCEP") Budget dated December 28, 2015 ("Proposed Modifications"). As an active participant in the NJCEP Combined Heat and Power ("CHP") and Fuel Cell Program ("CHP-Fuel Cell Program"), Bloom Energy is pleased that the Board has provided additional funding to the program.

Bloom Energy very much appreciates the effort that the Board and Staff have made to identify and reallocate additional funding for the Fuel Cell/CHP program. The proposal to transfer \$19,779,782.69 to the CHP/Fuel Cell Program will make a fundamental difference for those projects that were submitted prior to December 11, 2015. There are, however, another five months

¹ Bloom Energy is a provider of breakthrough solid oxide fuel cell technology that generates clean, reliable, and highly-efficient onsite power using an environmentally superior non-combustion process. Bloom Energy currently has over 140 megawatts ("MW") of operating systems at over 120 locations across the United States and in Japan. In New Jersey, Bloom Energy is seeing growing interest from customers who desire a clean and reliable distributed power generation solution, but do not have the thermal requirements necessary to support a CHP solution.

Irene Kim Asbury January 11, 2016 Page 2 of 2

remaining in the program Fiscal Year and additional projects are poised for submission if and when the program re-opens. To the extent that further funding is identified, the Board and Staff should be confident that there is an ongoing demand for the program.

Increasing the CHP-Fuel Cell Program budget and accepting new applications this Fiscal Year is especially important in light of Congress's recent decision not to extend the Investment Tax Credit for CHP and Fuel Cell Projects beyond 2016. New Jersey should take advantage of the availability of federal tax dollars to leverage funding for in-state projects by promoting the CHP/Fuel Cell Program with funding for the remainder of FY16.

The success of the CHP-Fuel Cell program and the Board's plan to promote energy efficiency and distributed generation is dependent on the confidence that those developing or investing in CHP and fuel cell projects have in the stability of the regulatory process behind the incentive program. Absent regulatory stability, CHP and fuel cell developers will be discouraged from participating in current and future CHP-Fuel Cell incentive programs and the viability of the program and the Board's policy objective to promote energy efficient distributed generation (which was reiterated in the latest version of the Energy Master Plan Update) will be threatened.

Please do not hesitate to contact me should you have any questions or need any further information. Thank you.

Very truly yours,

Murray E. Bevan

From:

Sunayana Jain

To: Cc: publiccomments@nicleanenergy.com Tad Radzinski; Nate Belke; T.J. Schenkel

Subject:

RE: Request for Comments: NJCEP Budget Reallocation Proposal

Date:

Monday, January 11, 2016 11:25:43 AM

Sustainable Solutions Corporation works on Pay-for-Performance New Construction program. Currently, we are working on many P4P New Construction Proposed Energy Reduction Plans for our clients and we anticipate that more new projects will be coming up as more and more building developers/owners are driving towards energy efficiency and sustainability.

Hence, we would like to support additional \$ 2 M be added to the rebate component of the budget for Pay-for-Performance New Construction program.

Thanks,

Sunayana Jain CEM, LEED AP BD+C
Sustainable Buildings & Operations Project Manager
Sustainable Solutions Corporation

Office: 610-569-1047

www.SustainableSolutionsCorporation.com

Sustainable Solutions Corporation is WBENC and BCorp Certified.

From: <u>ee-bounces@njcleanenergy.com</u> [mailto:<u>ee-bounces@njcleanenergy.com</u>] On Behalf Of Wetzel,

Linda

Sent: Monday, December 28, 2015 9:01 AM

To: ee@nicleanenergy.com; renewables@nicleanenergy.com

Subject: Request for Comments: NJCEP Budget Reallocation Proposal

Due to a higher than anticipated participation level in several programs within New Jersey's Clean Energy Program since the beginning of the 2016 fiscal year (FY), Staff is proposing modifications to multiple program budgets.

The proposed modifications are being circulated for public comment. Please see the attached memo for more information.

Comments are requested by January 11, 2016, and should be addressed to <u>publiccomments@NJCleanEnergy.com</u>.

Sherri Jones
New Jersey Board of Public Utilities
44 South Clinton Avenue
Trenton New Jersey 08625
609.292.7471
www.nj.gov/bpu

From:

Matthew Kaplan

To:

publiccomments@njcleanenergy.com

Subject: Date: Re: Request for Comments: NJCEP Budget Reallocation Proposal

Monday, January 04, 2016 2:53:00 PM

Support the increase in funding for P4P NC Program.

Also strongly recommend an increase in funding for the Residential New Construction Program, which is currently over-enrolled and will lose out on participation if not able to resume providing commitments to new registrants.

In general, when considering reallocation, we recommend transferring from programs that service local governments or residents (as opposed to businesses). This is because governments or residents may wait to receive funding until available, but businesses will move on and then never consider participating again.

Matthew Kaplan, LEED AP CEO

ReVireo

1215 Livingston Avenue, Suite #200 North Brunswick, NJ 08902 Toll Free: (888) 568-5459 Direct: (732) 853-8338 www.ReVireo.com

On Mon, Dec 28, 2015 at 9:00 AM, Wetzel, Linda < wetzel@appliedenergygroup.com wrote:

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The proposed modifications are being circulated for public comment. Please see the attached memo for more information.

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Sherri Jones

New Jersey Board of Public Utilities

From:

Metehan Akdag

To: Subject: publiccomments@njcleanenergy.com
Proposed Changes to the NJCEP Budget

Date:

Monday, January 04, 2016 4:35:40 PM

Dear Sir or Madam.

It would be greatly appreciated that there was an announcement before the program was closed, it is not easy to collect all the necessary data and finally submit but get an email saying that sorry as of December 11 board issued a temporarily cease accepting applications for the CHP program.

We are upset that we didn't know this was coming and feel like wasted our time/money on the application.

Thank you

Metehan Akdag

Senior Project Manager - LEED AP HOMES

Office: 201.222.2580 Fax: 201.222.1713 Cell: 201.683.1183

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STATE OF NEW JERSEY

BOARD OF PUBLIC UTILTIES

PROPOSED MODIFICATIONS TO THE NJCEP BUDGET

COMMENTS OF GREENER BY DESIGN

Greener by Design would like to thank the Office of Clean Energy ("the OCE") for the opportunity to respond to questions raised in a request for comments to interested stakeholders from Executive Director Secil Uzztetik Onat, Division of Economic Development and Emerging Issues.

Policy Overview

It has been brought to our attention that the Clean Energy Program (CEP) will be developing several proposed changes to the NJ CEP budget. The proposed modifications were stated by NJCEP to be attributed to a higher than anticipated participation level since the beginning of the Fiscal Year 2016 (FY16). In response, this memorandum proposes the following:

Commercial and Industrial (C&I) Energy Efficiency Programs

- On December 11th, the Board issued a notice that the NJCEP will temporarily cease accepting applications for the CHP-FC program. NJCEP stated in its notice on December 28th, that if the program would accept the number of current applications in the pipeline, then the program would exceed the available budget by \$19,779,782.69. Staff recommends that this amount be allocated to the CHP-FC program budget which will consider all applications submitted prior to December 11, 2015. \$19,779,782.69 would be allocated from other NJCEP sources such as REIP, and the Energy Resiliency Bank.
- On November 20, 2015, an update to the Energy Master Plan was released that called out for revised goals including the development of 1,500 MW of new CHP by 2021. Less than 100 MW of new CHP has been installed since 2011. The EMP stated: "With the current economic environment, and the low rate of participation in existing incentive programs, the remaining CHP market potential may be insufficient to produce additional new CHP without a more targeted effort. The State is pursuing strategic measures to advance new CHP, such as leveraging the outreach and funding available through the ERB and other means, including revisions to the NJCEP CHP and fuel cell incentive programs.

• CHP technology is persistently adding jobs around the country as its popularity continues to grow due its comprehensive nature in meeting cost reduction goals. However, public awareness and understanding of CHP technology still remains low in the state, attributing to the program's low participation rates.

Greener by Design recognizes the current economic and administrative challenges that NJCEP faces to further promote its programs under current budget shortfalls. However As demonstrated in the aforementioned areas, it would be in the CEP's best interest to continue to allocate enough funding to CHP technology in an attempt to achieve the most cost effective and beneficial outcome for efficient energy in the state of New Jersey. The continuation of these programs should not dis-incentivize ratepayers from further participation. Greener by Design represents several organizations that include renewable energy manufacturers, installers, developers, and end-use customers. Organizations as such should confidently look to NJ to further the market for renewable energy while creating a significant economic impact to the region. Several projects that we represent now face the uncertainty of whether they should continue to invest in CHP and fuel cell technologies in New Jersey if the incentive structure continues to fluctuate month to month. In addition, critical facilities, such as hospitals, assisted living centers, and waste water treatment facilities that were anticipating to have an application for the CHP-FC program in early 2016 do not currently have a direction to take in financing their projects with this temporary stall to the program. Projects submitted prior to December 11th, 2015 have a slightly fortunate positioning to await qualifying incentive amounts but what will happen to the future pipeline in which the EMP explicitly calls for.

In FY 2015, the NJCEP program has approximately \$18 million in unutilized CHP funds which were anticipated to not be spent before June 30th. These said funds should be considered for FY 2016, with a more increased focus on critical areas for energy resiliency such as microgrids. It is environmentally, economically, and entirely irresponsible to cut funding for CHP-fuel cell programs in New Jersey for an extended period. The temporary cease of these funds can dramatically hinder investor confidence in the State of New Jersey.

<u>Conclusion</u>: Thank you for the opportunity to comment on the Proposed Modifications to the NJCEP Budget. We would be pleased to provide you with additional information or clarification as needed.

Respectfully Submitted:

January 11, 2015