



New Jersey Board of Public Utilities

NEWS RELEASE

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Christie Administration Approves Six Large Scale Distributive Generation Projects Consistent with the State's Energy Master Plan to Improve Grid Reliability

Large Scale CHP/Fuel Cell Program Increases Energy Efficiency
and Reduces Energy Costs for all Ratepayers

TRENTON, N.J. – The New Jersey Board of Public Utilities (BPU) today approved just over \$11 million in funding to support six distributive generation projects that will reduce demand upon the electric grid by approximately 29 megawatts (MW). Through a joint BPU and New Jersey Economic Development Authority (EDA) incentive program, some of New Jersey's largest energy users, including medical centers, manufacturers and hospitals, have been approved for funding to help increase energy efficiency and reduce energy costs.

The funding was made available through the Large Scale CHP-Fuel Cells Program, a competitive grant program launched by the BPU and EDA in April 2012 for projects serving commercial, institutional and industrial customers in New Jersey.

Governor Christie's energy policy for New Jersey emphasizes in-state production of renewable and traditional energy sources with the goal of creating a stronger economy by making energy more affordable, more reliable and more often produced by New Jersey workers. One of the state's priorities in this effort is to enhance energy efficiency through on-site power generation with recovery and productive use of waste heat, and to reduce existing and new demands to the electric power grid by providing financial incentives for CHP installations. A well designed and thermally balanced CHP plant operates between 60-percent and 85-percent thermal efficiency – more than double the efficiency of a standard central power plant.

"The BPU will continue to support CHP/Fuel Cell projects throughout New Jersey. As outlined in Governor Christie's Energy Master Plan, CHP/Fuel Cell projects are ideal for enhancing energy efficiency and reducing reliance on the grid through on-site power generation," said Bob Hanna, President of the New Jersey Board of Public Utilities. "In the wake of Superstorm Sandy, CHP

capability will allow New Jersey healthcare facilities and businesses to continue operations even when the electric grid is down.”

“These projects are providing both environmental and economic benefits to New Jersey,” said EDA CEO Michele Brown. “Through this program, we have been able to increase the energy efficiency of some of New Jersey’s largest energy users, reduce energy costs for all of the State’s consumers, and create new job opportunities for our residents.”

The program was available to support CHP or standalone fuel cell projects with an electric generating capacity of greater than one megawatt (MW). Up to \$3 million in grants was available under a tiered incentive structure based on the system size and amount of electricity that the CHP or fuel cell project generated. The six approved projects are expected to leverage more than \$67 million in total public/private investment, lead to the creation of an estimated 300 construction jobs and reduce carbon dioxide emissions by 85,695 tons annually.

The six projects approved for funding include:

- Nestle USA, Inc. – The world’s largest food and beverage company is approved to receive \$3 million to support the purchase and installation of a 7.96 MW combustion turbine engine at its Freehold-based manufacturing facility.
- AtlantiCare Regional Medical Center - Southeastern New Jersey’s largest and most prominent nonprofit healthcare system will receive \$580,800 to support the purchase and installation of a 1.1 MW natural gas-fired reciprocating engine system that will produce hot water as a by-product.
- Monmouth Medical Center – A Long Branch-based acute care hospital will receive just over \$1.5 million to support the installation of three, 1.0 MW natural gas fired reciprocating engine generators.
- New CMC, Inc., d/b/a Barnabas Health Community Medical Center – A Toms River-based acute care hospital will receive just over \$1.5 million to support the installation of three, 1.0 MW natural gas fired reciprocating engine generators.
- Bristol Myers Squibb – A premier global bio-pharmaceutical company, focused on the research, development and manufacturing of medicines, will receive just over \$1.9 million to support the installation of two natural gas engines aggregating 4.11 MWs each with heat recovery steam generator for exhaust heat recovery and plate heat exchanges for jacket water recovery.
- UMM Energy Partners, LLC – An independent energy development company will receive just over \$2.3 million to support the establishment of a 5.67 MW cogeneration plant in Little Falls that will serve the energy load requirements of Montclair State University and at least one other client.

To learn more about opportunities for business growth throughout New Jersey, visit the state's business portal at www.NewJerseyBusiness.gov.