

Agenda Date: 10/4/12 Agenda Item: 8A-1

CLEAN ENERGY

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350 www.nj.gov/bpu/

| IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$300,000 |) ORDER)) |
|--|-------------------------------|
| MERCK & CO., INC. |)) DOCKET NO. E012090822V |

Party of Record:

Chris Broome, Associate Director of Engineering, Merck & Co., Inc.

BY THE BOARD1:

The New Jersey Board of Public Utilities' (the Board) Commercial and Industrial (C&I) Energy Efficiency Program, which is marketed as the New Jersey SMARTSTART Buildings Program (SSBP or SMARTSTART), includes the C&I New Construction, C&I Retrofit, Pay-for-Performance New Construction, Pay-for-Performance Existing Buildings, Local Government Energy Audit, Direct Install, Combined Heat and Power, and Large Energy Users Pilot Programs. These programs collectively offer financial incentives to New Jersey property owners to encourage the installation of energy efficient products and technologies. Eligible applicants may receive incentives for a portion of the cost of installing energy efficient technologies such as lighting, Heating Ventilation and Air Conditioning, water heating or other measures in new or existing buildings.

Merck & Co., Inc., Rahway, NJ, has submitted an application for a financial incentive in the amount of \$1,000,000 under the 2011 LEUP program, for a project located at 126 East Lincoln Avenue, Rahway, NJ 07065. Merck & Co. proposes to upgrade their indoor, outdoor, and parking garage lighting. Merck also plans to adjust steam traps to return condensate to boilers, reducing the amount of water the boiler must then heat; to optimize their lab ventilation; to upgrade steam traps; to upgrade industrial v-belts to eliminate slippage; and to insulate outside steam valves. This application will save the customer an annual estimate of 5,732,463 kWh of electricity, resulting in an estimated annual demand reduction of 727.6 kW, and will save the customer an annual estimate of 541,035 therms. Overall, this application will have an estimated annual energy cost savings of \$1,134,840.

¹ Commissioner Fiordaliso has recused himself from this matter.

TRC, the Market Manager engaged by the Board to manage the New Jersey Clean Energy Program (NJCEP) C&I energy efficiency programs, has submitted certification that the incentives for which TRC now seeks approval to commit have been calculated in accordance with the program policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which the applicants are eligible. Further, Applied Energy Group, in its role as the NJCEP Program Coordinator, has reviewed the application and submitted certification that the incentive for which TRC now seeks approval to commit has been calculated in accordance with the program policies and procedures, and that the listed amount is the true and accurate estimated incentive for which the applicant is eligible. Based on the above, the Staff recommends that the Board approve the above-referenced application.

The Board <u>HEREBY ORDERS</u> the approval of the aforementioned application for the total estimated incentive amount of \$1,000,000 to Merck & Co., Inc. and <u>AUTHORIZES</u> issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

DATED: 10/4/12

BOARD OF PUBLIC UTILITIES BY:

ROBERT M. HANNA

PRESIDENT

JEANNE M. FOX COMMISSIONER NICHOLAS ASSELTA COMMISSIONER

MARY-ANNA HOLDEN COMMISSIONER

ATTEST

KRISTI IZZØ

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

2

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$300,000 – MERCK & CO., INC.

DOCKET NO. E012090822V

SERVICE LIST

Brian DeLuca TRC Solutions Program Manager 900 Route 9 North, Suite 104 Woodbridge, NJ 07095

Michael Winka Office of Clean Energy Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350

James Nappi Applied Energy Group, Inc. 317 George Street Suite 305 New Brunswick, NJ 08901

Carl Teter TRC Solutions Associate Vice President 900 Route 9 North, Suite 104 Woodbridge, NJ 07095 Mona Mosser Office of Clean Energy Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350

Michael Ambrosio Applied Energy Group, Inc. 317 George Street Suite 305 New Brunswick, NJ 08901

Valentina Rozanova TRC Solutions Program Manager 900 Route 9 North, Suite 104 Woodbridge, NJ 07095

Sharon Wolfe Office of Clean Energy Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350 Chris Broome Associate Director of Engineering Merck & Co., Inc. 126 E. Lincoln Avenue RY28-470F Rahway, NJ 07065

Caroline Vachier, DAG Division of Law Dept. of Law & Public Safety 124 Halsey Street P.O. Box 45029 Newark, NJ 07102 Rachel Boylan Counsel's Office Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350

Veronica Beke, DAG Division of Law Dept. of Law & Public Safety 124 Halsey Street P.O. Box 45029 Newark, NJ 07102 Elizabeth M. Teng Office of Clean Energy Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350

Kristi Izzo, Secretary Board of Public Utilities 44 South Clinton Avenue P.O. Box 350 Trenton, NJ 08625-0350 Allison E. Mitchell Office of Clean Energy Board of Public Utilities P.O. Box 350 Trenton, NJ 08625-0350