



Agenda Date: 6/22/18
Agenda Item: 8D

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM) ORDER
AUTHORIZATION OF COMMERCIAL AND)
INDUSTRIAL PROGRAM ENERGY EFFICIENCY)
INCENTIVES EXCEEDING \$500,000 – JD CP Investors,)
LLC) DOCKET NO. QG18050495

Parties of Record:

James J. D’Agostino, Chief Financial & Operating Officer, JD CP Investors, LLC
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

The New Jersey Board of Public Utilities (“Board”) through its New Jersey Clean Energy Program (“NJCEP”) includes several individual Commercial & Industrial (“C&I”) Energy Efficiency (“EE”) Programs targeting the commercial and industrial market segments. Eligible applicants may receive rebates for a portion of the cost for installing energy efficient technologies such as lighting, HVAC, and other energy conservation measures. All proposed C&I EE financial incentives and rebates exceeding \$500,000 require explicit Board approval. See In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the 2009 through 2012 Clean Energy Program - Revised 2012-2013 Programs & Budgets - Revised Rebate Approval Process, BPU Dkt. No. E007030203 (June 21, 2013).

The Pay for Performance Existing Buildings (“P4P EB”) program uses a comprehensive, whole building approach to energy efficiency in existing commercial and industrial buildings or eligible multifamily facilities. Similar to performance contracting programs offered in other states, this program links incentives directly to energy savings and includes a measurement and verification component to ensure that the estimated savings levels are achieved. Incentives are released upon satisfactory completion of three milestones.

By this Order, the Board considers the application of JD CP Investors, LLC, submitted on November 14, 2016 under the Fiscal Year 2017 (FY17) P4P EB program, pursuant to the NJCEP FY17 EE & RE Program Plan Filing dated June 28, 2016, for a project located at Continental Plaza, Buildings 401 and 411, 401–411 Hackensack Avenue, Hackensack, New

Jersey. The applicant requests a financial incentive of \$593,012.69 for an ensemble of measures at a project cost of \$3,549,400.00. The proposed project is sited in two office buildings connected by a common basement. The proposed energy efficiency measures include installation of a comprehensive building automation system; replacement of existing heat pumps with energy efficient units and associated waterside economizers in building 401; installation of VFDs on all hot and chilled water pumps in both buildings; and replacement of interior and parking lot light fixtures with LED for both buildings.

The estimated first incentive, to offset the cost of services for developing the energy reduction plan ("ERP"), is \$37,705.71. The estimated second incentive based on projected energy savings as estimated in the approved ERP, to be paid after the installation of the recommended measures, is \$277,653.49. The estimated third incentive, which is paid upon submittal of a Post Construction Benchmarking Report that verifies the level of savings achieved, is \$277,653.49. These incentive amounts are within entity cap guidelines. Installing these measures will result in annual electric savings by an estimated 1,579,759 kWh, an annual estimated electric peak demand reduction of 303 kW, and an annual estimated natural gas savings of 83,104 therms. The proposed project will have an estimated annual energy cost savings of \$250,290. The payback period without incentives is 14.2 years; when factoring in the incentives, the payback period is reduced to 11.8 years.

The NJCEP Program Administrator, TRC Environmental Corporation ("TRC"),¹ submitted its certification that the incentive to be approved for commitment was calculated in accordance with the applicable program's policies and procedures, that the listed amount is the true and accurate estimated incentive for which the applicant is eligible, and that documentation supporting estimated energy savings inputs was located, reviewed, and made available to calculate the rebate amounts as required by the program's policies and procedures. The P4P EB Program Manager, TRC, attested to the accuracy of certain information regarding the project. Based on these certifications and the information provided, Board Staff recommends approval of the above-referenced application.

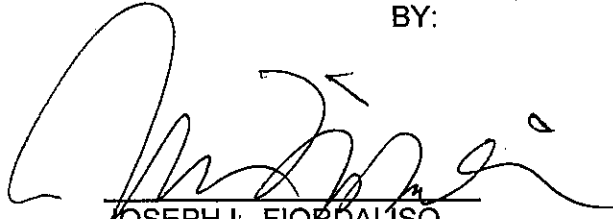
The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$593,012.69 for JD CP Investors, LLC, and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

¹ On January 13, 2017, TRC acquired the NJCEP Program Administrator Contract from Applied Energy Group, Inc. (AEG) and assumed AEG's rights and duties thereunder.

The effective date of this Order is July 2, 2018.

DATED: 6/22/18

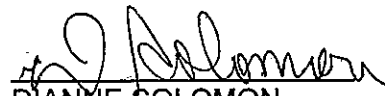
BOARD OF PUBLIC UTILITIES
BY:



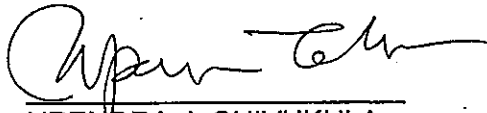
JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



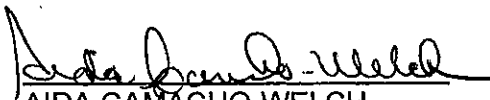
DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

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

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL
AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 –
JD CP INVESTORS, LLC
DOCKET NO. QG18050495

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**Program Administrator Certification
(New Incentive Commitments > \$500,000)**

I, **Maura Watkins**, TRC Solutions Quality Control, hereby certify that, I have reviewed the application referenced below and determined that, as required by the policies and procedures applicable to the program, (1) the equipment incentives for which the NJCEP Program Manager now seeks approval to commit NJCEP funds have been calculated in accordance with those policies and procedures, and (2) that the amount shown below is the true and accurate estimated incentive for which the applicant(s) is(are) eligible.

Additionally, for incentives based on estimated energy savings that are uniquely calculated, including the Pay for Performance Program, Large Energy Users Program, and the Combined Heat and Power Program, I also certify that I was able to locate and review documentation supporting the inputs used to calculate the rebate amount and evidencing the NJCEP Program Manager's evaluation of those inputs as required by the program's policies and procedures.

Maura H Watkins

By: _____

Date: 04-30-2018

Maura Watkins

Quality Control – TRC Solutions

Application No.: 43600

Applicant: JD CP Investors, LLC

Payee: JD CP Investors, LLC

Committed Amount: \$593,012.69

The undersigned preparer attests that, to the best of their knowledge and belief, the below information is accurate and the subject project application adheres to the current terms and conditions of the Pay for Performance program.



Signature of Preparer
Valentina Rozanova, TRC- P4P Program Manager

04/26/2018
Date

1. Application Number: 43600
2. Program Name: Pay for Performance – Existing Buildings
3. Customer Contact (name, company, address, phone #):
James J. D'Agostino - Chief Financial & Operating Officer
JD CP Investors, LLC
102 Chestnut Ridge Road
Montvale, NJ 07645
201-661-8390
4. Project Name and Address:
Continental Plaza – Buildings 401 & 411
401-411 Hackensack Ave.
Hackensack, NJ 07601
5. Incentive amount:
Incentive #1: \$37,705.71
Incentive #2: \$277,653.49
Incentive #3: \$277,653.49
Total: \$593,012.69
6. Brief description of facility/site: Building 401 and 411 at Continental Plaza have recently been purchased by JD CP Investors, LLC and are located on the same property off of Hackensack Avenue. The two buildings total approximately 360,000 square feet and are connected by a common basement which contains amenity areas and operating offices for the building management group. The buildings contain primarily class-A offices with amenity areas that include a fitness center, cafeteria, and other smaller businesses. The occupancy of the buildings is about 60% - 70% tenant occupied which has been consistent for several years. The buildings operate on a typical office schedule of 8am - 5pm Monday through Friday. The site also contains a covered parking garage and open air parking garage. Each building has a separate mechanical system for heating and cooling of the spaces but since the basement connects the two buildings, they are being submitted on the same application.

7. Brief description of measures:

- 1) **Comprehensive Building Automation System installation for both buildings, which include:**
 1. **Supply air reset based on outside air temperature**
 2. **Static pressure reset based on damper position of VAV boxes**
 3. **Hot water supply temperature reset based on outside air temperature**
 4. **Demand control ventilation**
 5. **Setback control of thermostats**
 6. **Chilled water supply temperature reset based on outside air temperature**
 7. **Reduce condenser water supply temperature based on outside wet bulb temperature**
 8. **Dual-enthalpy economizers**
 9. **Optimum start to control mechanical systems based on occupancy**
- 2) **Replace existing heat pumps with energy efficient units and associated water-side economizers in building 401.**
- 3) **Install VFDs on all hot and chilled water pumps in both buildings**
- 4) **Replacement of interior and parking lot light fixtures with LED for both buildings**

8. Annual Estimated Energy Savings:

- 1) **1,579,759 kWh**
- 2) **303 kW**
- 3) **83,104 therms natural gas**

9. Annual Estimate Energy Cost Savings (including simple payback with and without incentive, and IRR):

- 1) **\$250,290 energy cost savings per year**
- 2) **Payback: 14.2 years without incentive, 11.8 years with**
- 3) **IRR: 1.8% without incentive, 4.2% with**

10. Estimated Project Cost:

- 1) **Total Project Cost: \$3,549,400**