

On behalf of Noveda Technologies (formerly Live Data Systems), please accept this email as our comments on the NJ Draft Energy Master Plan. These comments are a written follow-up to testimony given on July 15, 2008.

The growth in demand for electricity will shortly exceed the supply and yearly double digit increases in electricity prices are upon us. The Draft Energy Master Plan correctly states as its highest two priorities: Maximizing Energy Conservation and Energy Efficiency & Reduction in Peak Load Demand. Noveda strongly supports these two goals and believes that immediate measures need to be mandated for all state buildings, commercial buildings and new construction. These measures will be described below.

Noveda is housed in the headquarters of Ferreira Construction in Branchburg, NJ where we have already met Gov. Corzine's Executive Order 54 by reducing greenhouse gas emissions by more than 80%, some 40 years earlier than the 2050 goal. The first step to energy reduction and energy efficiency is to establish a baseline, in real-time, of a building's energy usage and establish a carbon footprint. Once a baseline is established, meaningful reductions in electricity can be measured and energy efficiency measures can be taken.

GOAL 1: 300,000 buildings per year must install real-time monitoring plus all new buildings built after 2009

This can be accomplished through the utilities beginning programs for Smart Metering and through commercial businesses offering solutions. As a building is monitored in real-time, continuous commissioning can take place where energy efficiency consultants can implement and track further energy reductions. It should be mandatory for buildings to have a real-time Energy Star monitoring capability to understand how efficient or inefficient it may be at any moment in time. Studies have shown that simply being cognizant of real time energy consumption can help reduce energy usage by 10% to 20% alone. Customers can realize payback on investments in this area in terms of months, not years. In addition, all new building construction in the state should be mandated by code to establish a real-time monitoring capability.

Goal 2: Disincentives for utilities must be eliminated to pursue energy efficiency measures

Decoupling must be instituted as a state policy. States that have allowed decoupling have seen utilities embrace demand side management investments. Since companies are generally not in the business of selling less of their product, the utilities need to make a fair profit on activities leading to energy reduction. Due to the regulatory process, decoupling may take some time to enact. In the mean time, incentives should be expanded for utilities to begin pilot programs to work with their customers and industry to establish real-time energy usage and enact energy efficiency measures. Other states and utilities are beginning these

programs. The BPU could additionally allow the largest electrical users in the state to self direct SBC money into programs for energy efficiency.

Goal 3: Reduce peak load demand through real-time monitoring

A monthly utility bill is not the best indicator of how a customer is using and managing their electricity usage. If commercial customers are able to graphically see their real-time energy usage, they can make immediate changes or plan around peak times of the day. This will save money and tax the electrical grid less. By historically tracking this, the state can gain intelligence on what the best set of demand response actions businesses are taking and publish them as best practices.

Goal 4: A full energy audit should be performed on buildings with proposed renewable energy systems above 100KW in size

Renewable energy should only be considered for a building once all prudent measures have been taken to make it as efficient as possible. Ratepayer or taxpayer money should not be spent to install renewable energy systems on inefficient buildings, lest we squander public money. This will foster the creation of many “green collar” jobs in the state.

We are excited about the potential NJ has to achieve a worldwide reputation as a leader in shifting from a carbon based economy. This shift will create thousands of high quality jobs in the state and attract investment capital for entrepreneurs. Noveda is pleased to work with the state of NJ on the establishment and execution of the final Energy Master Plan.

Sincerely,

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