

Agenda Date: 11/22/13 Agenda Item: 8B

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.ni.gov/bpu/

CLEAN ENERGY

ORDER

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IN THE MATTER OF THE NEW JERSEY CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – RIVIERA TOWERS CORPORATION

DOCKET NO. QG13100960

Party of Record:

Anthony lacono, Community Manager, Riviera Towers Corporation

BY THE BOARD:

The New Jersey Board of Public Utilities' (the Board) Commercial & Industrial (C&I) Energy Efficiency Program includes nine (9) individual programs targeting the commercial and industrial market segments, consisting of New Construction, Retrofit, Pay for Performance - New Construction, Pay for Performance - Existing Buildings, Local Government Energy Audit, Direct Install, Small Combined Heat and Power (CHP) and Fuel Cells (FC), Large Energy Users Program, and the Societal Benefits Charge Credit Program. These programs collectively offer financial incentives 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 and other measures in new or existing buildings.

The Riviera Towers Corporation, in West New York, NJ, has submitted an application for a total financial incentive in the amount of \$800,000 under the 2013 CHP and Fuel Cells program, for a project located at a multifamily high rise building at 6040 Kennedy Boulevard East, West New York, NJ 07093. Under the program, participants are eligible to receive financial incentives to further enhanced energy efficiency in their buildings through on-site power generation with recovery and productive use of waste heat to reduce existing and new demands to the electric power grid.¹ The applicant proposes to install a new 400 kW cogeneration plant, made up of four 100kW Tecogen InVerde Ultra100 low-emissions units. Estimated annual efficiency for the proposed plant is 80.1%. The first estimated incentive, in the amount of \$160,000, is to be paid upon project completion, review and acceptance of documentation, and successful inspection. The remaining estimated incentive, in the amount of \$160,000, is to be paid one year after project inspection, acceptance, and following confirmation that the project

¹ The Fiscal Year 2014 CHP and FC program goal is to maximize total installed capacity by 40 MW.

has achieved its required minimum efficiency threshold. The system is expected to produce 2,888,800 kWh of electricity annually and expected to produce 19,355 MMBtu of thermal energy recovered from waste heat, to be used for space heating, domestic water heating, and space cooling. Overall, this application is expected to result in an estimated annual energy cost savings of \$220,142 at an estimated turn-key project cost of \$2,227,500.

TRC Energy Services (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 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. 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 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 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, 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 \$800,000 for Riviera Towers Corporation, 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: 11/22/13

BOARD OF PUBLIC UTILITIES BY:

ROBERT M. HA PRESIDENT

JEANNE M. FOX

MARY-ANNA HOLDEN COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY

JOSEPH L. FIORDALISO

DIANNE SOLOMON COMMISSIONER

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 NEW JERSEY CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 – RIVIERA TOWERS CORPORATION DOCKET NO. QG13100960

SERVICE LIST

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Market Manger Certification (New Incentive Commitments > \$500,000)

<u>I Carl Teter</u> hereby certify that applications on the attached list have been reviewed by TRC or its subcontractors as required by the policies and procedures applicable to each program, that the incentives for which TRC now seeks approval to commit have been calculated in accordance with those policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which each applicant is eligible.

By:

10-14-13 Date:

Carl P. Teter, P.E., LEED AP, Associate Vice President App# 21902CHP

- 1. Application Number: 21902CHP
- 2. Program Name: Small CHP and Fuel Cell Program
- 3. Customer Contact (name, company, address, phone #): Anthony Iacono, Community Manager Riviera Towers Corp. c/o FirstService Residential New Jersey 6040 Kennedy Bivd East, West New York, NJ 07093 201-869-2137
- 4. Project Name and Address: Riviera Towers 6040 Kennedy Blvd East, West New York, NJ 07093
- 5. Rebate amount: Incentive #1: \$160,000.00 Incentive #2: \$480,000.00 <u>Incentive #3: \$160,000,00</u> Total: \$800,000.00
- 6. Brief description of CHP to be installed:

Install a new 400 kW cogeneration plant, made up of four (4) 100 kW Tecogen inVerde Ultra100 units, to remove load from the existing PSEG utility. The system operating mode will be grid connected/grid independent. This will allow synchronizing with the electric grid and also allow switching automatically to independent, load-following operation, when the grid is unavailable. The new cogeneration plant will be providing 400 kW peak demand reduction towards the facility electric loads. Recovered waste heat from the cogeneration units shall supplement the domestic hot water and offset heating during the winter. In the summer the waste heat will also be used by the new absorption chillers and offset the electric cooling. Waste heat recovery will replace exiting five (5) 3500MBH steam boiler and an electric chiller. Estimated annual plant efficiency is 80.1%

- Annual Estimated Energy Savings: Expected Annual Electricity Production: 2,888,800 kWh Expected Annual Thermal Energy Production: 19,355 MMBtu of recovered heat for space heating, domestic hot water, and space cooling.
- 8. Project Cost: \$2,227,500.00
- Annual Estimate Energy Cost Savings: \$220,142 (10.1 year simple payback w/o incentive; 6.5 with incentive)

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

I, **Maura Watkins**, hereby certify that in its role as Program Coordinator, Applied Energy Group, Inc. has reviewed the referenced below, as required by the policies and procedures applicable to each program, that the standardized equipment incentives for which TRC now seeks approval to commit have been calculated in accordance with those policies and procedures, and that the amount shown below is the true and accurate estimated incentive for which the applicant(s) is(are) eligible.

For incentives based on uniquely calculated estimated energy savings, including the Custom Program, Pay for Performance, Combined Heat & Power and Large Energy Users Program, Applied Energy Group certifies locating documentation supporting the inputs used to calculate the rebate amount and evidencing TRC's evaluation of those inputs as required by the program's policies and procedures.

Maura I Watkins

Date: ______ 10-10-2013

Maura Watkins

By:_

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: App # Applicant	21902CHP	
	Riviera Towers Corporation	
Payee	Riviera Towers Corporation	

Committed Amount: \$800,000.00