

Agenda Date: 3/19/14 Agenda Item: 8D

CLEAN ENERGY

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 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 \$500,000 – VERIZON NEW JERSEY INC.))	ORDER DOCKET NO. EG14020161

Party of Record:

Anthony Gambino, Senior Staff Consultant, Verizon New Jersey, Inc.

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 and Fuel Cells, 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.

Verizon, Basking Ridge, NJ, has submitted an application for a financial incentive in the amount of \$1,000,000 under the 2012 Large Energy Users Pilot program, for a project located at their administration and telecommunications central office on 95 William Street, Newark, NJ. The applicant proposes replacing the variable speed drives (VSDs) and motors of its cluster air handling units, as well as upgrading the units' controls; upgrading the airside economizer controls; upgrading the single AHU VSDs and motors; retrofitting the chiller VSD; upgrading the chilled and condenser water variable pumping operation; and installing lighting upgrades and controls. Installing these measures will enable an estimated annual energy savings of 4,803,127 kWh and an electric demand reduction of 463 kW. Overall, this applicant will have an estimated annual energy cost savings of \$558,373 at a total project installation cost of \$3,604,944. The project has a 13% internal rate of return and a 6.5 year payback.

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 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 for Verizon New Jersey 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.

The effective date of this Order is March 28, 2013.

DATED: 3/19/2014

BOARD OF PUBLIC UTILITIES BY:

DIANNE SOLOMON

PRESIDENT

JEANNE M. FOX

COMMISSIONER

JØSEPH L. FIORDALISO

COMMISSIONER

COMMISSIONER

ATTEST:

KRISTI IZZO

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DOCKET NO. EG14020161

SERVICE LIST

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

Carl Teter TRC Solutions Associate Vice President 900 Route 9 North, Suite 104 Woodbridge, NJ 07095

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

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

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

Caroline Vachier
Deputy Attorney General
Division of Law
Department of Law & Public Safety
124 Halsey Street
Post Office Box 45029
Newark, NJ 07102-45029

Kristi Izzo, Secretary Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350 Elizabeth Ackerman, Director Office of Clean Energy Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

Elizabeth M. Teng Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

Sherri Jones Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

Allison E. Mitchell Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

Veronica Beke
Deputy Attorney General
Division of Law
Department of Law & Public Safety
124 Halsey Street
Post Office Box 45029
Newark, NJ 07102-45029

Anthony Gambino Senior Staff Consultant Verizon One Verizon Way VC31W263A Basking Ridge, NJ 07920

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

I, Carl Teter, 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.

Carl P. Teter, P.E., LEED AP, Associate Vice President

App# L16251

Date: 2-/8-/4

1. Application Number: L16251

2. Program Name: 2012 Large Energy Users Pilot Program

3. Customer Contact (name, company, address, phone #):
Anthony Gambino, Sr. Staff Consultant
Verizon New Jersey Inc
One Verizon Way, VC31W263A
Basking Ridge, NJ 07920
908-559-6227

Project Name and Address:
 Verizon, 95 William St (H-wing), Newark, NJ 07102

5. Rebate amount: \$1,000,000.00

- 6. Brief description of measures:
 - ECM 1: Cluster AHU VSDs /Motor Replacement and Controls Upgrades (AC16B)
 - Includes a DDC controls upgrade, VFD and motor replacement on AHUs with multiple fans.
 - o ECM 2: Airside Economizer Control Upgrade
 - This includes the provision of local and supervisory controllers to enable energy savings analytics on the building's HVAC equipment. Specifically the system will provide air side economizer control in those AHUs, and temperature resets based on free cooling and load conditions, and chilled water resets.
 - ECM 3: Single AHU VSDs /Motor Replacement and Controls Upgrades
 - Includes VFD and motor replacement on single-fan AHUs to permit use of "affinity law" savings.
 - ECM 4: Chiller VSD Retrofit
 - This measure involves the replacement of the facilities Carrier Chiller with a new Variable Speed Chiller.
 - ECM 5: Chilled and Condenser Water Variable Pumping Operation
 - This measure includes installing variable frequency drives (VFDs) on two
 chilled water pumps. Replacing one condenser water pump with a VFD
 controlled pump. Also includes replacement of 3-way valves with DDC
 controlled 2-way valves.
 - ECM 6: Lighting upgrades and controls
 - This measure includes installing occupancy controls on lighting fixtures with high burn hours and replacing the existing lighting fixtures with energy- efficient lighting fixtures.

7. Annual Estimated Energy Savings:

1) 4,803,127.00 Why

2) UB > WW

8. Annual Estimated Energy Cost Savings: \$558,373

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

Coordinator, Apbelow, as require program, that the seeks approval policies and pro-	A Watkins , hereby certify that in its role as Program oplied Energy Group, Inc. has reviewed the referenced red by the policies and procedures applicable to each he standardized equipment incentives for which TRC now to commit have been calculated in accordance with those acedures, and that the amount shown below is the true and ated incentive for which the applicant(s) is(are) eligible.
including the C Power and Larg locating docun amount and ev	based on uniquely calculated estimated energy savings, ustom Program, Pay for Performance, Combined Heat & ge Energy Users Program, Applied Energy Group certifies nentation supporting the inputs used to calculate the rebate videncing TRC's evaluation of those inputs as required by the cies and procedures.
Maur	a UWatkins
By:	Date:
Maura Watk	ins
Quality Assu	rance Manager - Applied Energy Group, Inc.
Ref: App #	L16251
Applicant	Verizon New Jersey Inc.
Payee	Verizon New Jersey Inc.
Committed Am	nount: \$1,000,000.00