



The Professional Real Estate Organization

BOMA NJ
BUILDING OWNERS and MANAGERS ASSOCIATION

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New Jersey Board of Public Utilities
Office of Policy and Planning
Attention: Draft EMP Comments
Two Gateway Center
Newark, New Jersey 07102

Dear Energy Master Plan Committee members:

The Building Owners and Managers Association of New Jersey (BOMA-NJ) has several concerns with the Draft Energy Master Plan.

BOMA-NJ is a commercial real estate trade organization representing 400 of New Jersey's leading building owners, managers, developers, asset managers, leasing professionals, corporate facility managers, and providers of products and services for commercial properties.

The Draft Energy Master Plan contains several promising initiatives, but it does not take their costs into account. This plan should include financial assistance initiatives as incentives for the reforms.

If there are no, or insufficient, incentives for developers to incorporate and implement these new standards, they may be forced to build out-of-state in order to accommodate the cost conscience desires of corporate clients making regional business location decisions who refuse to incur the extra financial burden of building in New Jersey. Neighboring states are providing attractive economic development incentives and tax plans that corporations are continually taking advantage of and leaving New Jersey for.

In addition, the Plan's reference to a need for more energy generation is problematic. Large building owners in New Jersey already have emergency generators on-site that could help meet energy needs during peak demand. However, the NJDEP restricts the use of these emergency generators for demand reduction.

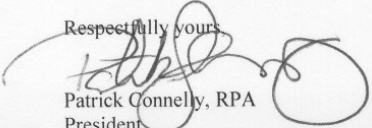
This restriction is in direct conflict with the Plan's intent to allow small generation facilities or cogeneration plants to be built to handle peak demand. If larger facilities were allowed to operate their emergency generators, without penalty from the NJDEP, there would be more than enough existing generation capacity.

As of now, emergency generators can only be run during a loss of offsite power, voltage reduction by PJM, or for required/normal testing and maintenance. These generators are not permitted for load shaving, peaking power production or generating in an agreement with a utility energy assistance program.

Creation of new cogeneration facilities would be excessive and wasteful. They would remain idle, generating enough energy to maintain their existence so that they could be available if and when needed. Rather than shouldering the cost of constructing new facilities, grid operators and local utilities could use those funds to give building owners financial incentives to operate their emergency generators.

Please consider allowing building owners to use the equipment they have already invested in, rather than encouraging new unnecessary generation. Let us contribute our energy supply to the grid.

Respectfully yours,


Patrick Connelly, RPA
President