

**Before the  
State of New Jersey  
Board of Public Utilities, Trenton, NJ**

<b>IN THE MATTER OF THE BOARD'S INVESTIGATION OF CAPACITY PROCUREMENT AND TRANSMISSION PLANNING</b>	) ) ) )	<b>ORDER SETTING ADDITIONAL HEARING DOCKET NO. EO11050309</b>
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**COMMENTS OF HONEYWELL, INC.**

Pursuant to New Jersey's Board of Public Utilities (BPU) order setting hearing in the matter of capacity procurement and transmission planning, Honeywell, Inc. ("Honeywell") respectfully submits these comments on a portfolio approach to energy management. Honeywell appreciates the opportunity to comment on regulatory policy issues that need to be considered, and on implementation challenges and opportunities critical to New Jersey's energy management plan. Honeywell has significant expertise in this area. We implement several energy efficiency, demand response and technology development and demonstration programs. We base our views on Honeywell's market-leading position and over 100 years of experience in providing energy management solutions. Nearly 50% of our product portfolio delivers energy efficiency benefits. Honeywell Automation and Control Solutions division has completed more than 5,000 energy efficiency improvement projects for schools, cities and other government entities; these projects have delivered more than \$4.5 Billion in guaranteed energy and operational savings. Honeywell is one of

the original partners of the Clinton Climate Initiative to bring these energy efficiency programs to government buildings in major cities around the world. Honeywell energy management technologies are found in more than 150 million homes, five million buildings, 24 of the top 25 refineries, and nearly 5,000 industrial sites around the world. By applying our expertise in sensing and controls, we are creating energy efficient, more comfortable, safer, more secure and productive environments for our customers. For example, home owners typically reduce their heating and cooling demand by up to 30 percent using Honeywell's programmable thermostats. If Honeywell's energy efficiency technologies were immediately and comprehensively adopted, we could substantially reduce US energy demand by 15-20%.

#### **A. COMMUNICATIONS**

All correspondence, communications, pleadings, and other documents relating to this proceeding should be served upon the following persons:

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## **B . Comments on Energy Management**

We urge the BPU to consider a portfolio approach to energy management while evaluating its options in ensuring reliable energy delivery to consumers in New Jersey.

Balancing supply and demand is critical in ensuring energy reliability. Increasing generation capacity is clearly a way to maintain this balance. Based on Honeywell's experience, we believe a portfolio approach that considers demand side management will also aid in balancing New Jersey's energy needs.

Building capacity and transmission involves capital outlays and more importantly, construction time for new infrastructure, and potential impact on the densely populated areas in New Jersey. Energy efficiency (EE) and Demand Response (DR) programs offer "negawatts" now, with available technologies and proven roll-outs, that will help balance the supply and demand.

EE and DR will become increasingly critical with the penetration of renewables. The intermittency of renewable generation can be offset with demand-side management to maintain the supply-demand balance of grid-scale energy. When distributed generation is broadly adopted, EE and DR will be a critical tool in ensuring energy independence, sustainability and low costs for environmentally-aware communities.

Energy efficiency and demand response can provide reliable “negawatt” resources to decrease baseload, and peak-load respectively. These solutions are available right now, and should be considered aggressively when implementing energy management policy. We encourage the BPU to consider EE and DR as another clean, domestic resource within the portfolio, and ones that are available economically right now.

Honeywell thanks the BPU for considering EE and DR in its portfolio, and stands ready to support the BPU and the stakeholders in making New Jersey the model for energy delivery and use across the nation.