



Agenda Date: 7/23/14
Agenda Item: 8A

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/

CLEAN ENERGY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM)
AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL) ORDER
(C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES)
EXCEEDING \$500,000 – MARBELLA TOWER URBAN)
RENEWAL ASSOCIATES SOUTH, L.L.C.) DOCKET NO. QG14060611

Party of Record:

Mark Sheeleigh, Vice President of Development, Marbella Tower Urban Renewal Associates South, L.L.C.

BY THE BOARD:

The New Jersey Board of Public Utilities' (Board) Commercial & Industrial (C&I) Energy Efficiency (EE) Program includes nine 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.

Marbella Tower Urban Renewal Associates South, L.L.C. (Marbella), in Short Hills, Essex County, has submitted an application for a financial incentive totaling \$628,858, under the 2012 Pay for Performance – New Construction Program, for a project located at 401 Washington Boulevard, in Jersey City, Hudson County. The Pay for Performance New Construction Program promotes high performance buildings that achieve 15% or more energy cost savings than buildings built to the current energy code. Incentives for this program are released in three phases upon satisfactory completion of each milestone. All proposed C&I EE financial incentives and rebates exceeding \$500,000 require explicit Board approval. See I/M/O the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the 2009

through 2012 Clean Energy Program – Revised 2012-2013 Programs & Budgets – Revised Rebate Approval Process, BPU Dkt. No. EO07030203 (May 3, 2013).

The first incentive is intended to help offset the cost of services associated with the development of the Energy Reduction Plan (ERP) and design fees. An Energy Reduction Plan detailing the set of measures that will achieve the performance target is required for each project. The estimated first incentive, for the proposed ERP is \$35,935.

The second incentive is based on the final installed work scope and follows the submittal and approval of the As-Built Energy Reduction Plan. The estimated second incentive for the as-built reduction plan in this project is \$359,347. The amount of this second incentive includes installation of an Energy Star rated HVAC system; ceiling insulation; wall insulation; energy efficient windows and glass doors; efficient lighting; Energy Star certified washing machines; low-flow showerheads; and gas-fueled water heater, and water boiler.

The third incentive follows construction completion and the submittal and approval of the Commissioning Report. The third incentive is based upon confirmation that the building achieved the performance target value indicated in the proposed ERP. The estimated third incentive for this project is \$233,576.

Overall, the project proposed by Marbella has an estimated total energy savings of 25%.¹ This includes an estimated annual customer savings of 620,929 kWh of electricity, with an estimated annual demand reduction of 819.45 kW, and an estimated annual savings of 24,561.3 therms of natural gas. Overall, this application estimates an annual energy cost savings of \$137,233, with an 18% internal rate of return and a simple payback of 1.24 years with incentive. This project has an estimated incremental measure cost of \$799,007.59.

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 these certifications and the information provided by the Market Manager and Program Coordinator, Board Staff recommends that the Board approve the above-referenced application.

¹ Energy savings and cost savings are measured from a code-compliant building American Society of Heating and Air-Conditioning Engineers (ASHRAE) 90.1-2007 baseline.

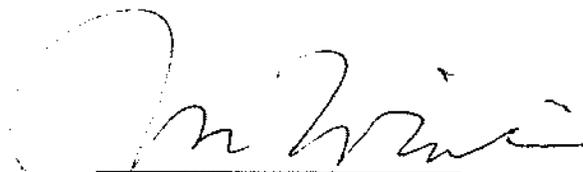
The Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$628,858 for Marbella and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment. The effective date of this Order is August 1, 2014.

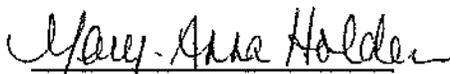
DATED: 7/23/14

BOARD OF PUBLIC UTILITIES
BY:


DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

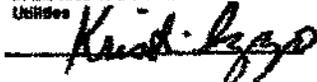

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:

KRISTI IZZO
SECRETARY

I 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 CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL
AND INDUSTRIAL (C&I) PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING
\$500,000 – MARBELLA TOWER URBAN RENEWAL ASSOCIATES SOUTH, LLC

DOCKET NO. QG14060611

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**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 H Watkins

By: _____

Date: 06-17-2014

Maura Watkins

Quality Assurance Manager - Applied Energy Group, Inc.

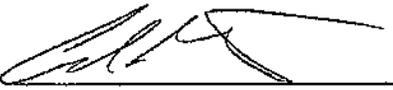
Ref: _____
App # 18556
Applicant Marbella Tower Urban Renewal Assoc. South
Payee Marbella Tower Urban Renewal Associates South, LLC

Committed Amount: \$628,858.00

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.

By:



Carl P. Teter, P.E., LEED AP, Associate Vice President
App# 18556

Date:

6-18-14

1. Application Number: **18556**
2. Program Name: **Pay for Performance New Construction**
3. Customer Contact (name, company, address, phone #):
**Mark Sheeleigh, Vice President Development at Roseland Property
 Roseland Properties / Marbella Tower Urban Renewal Associates South, LLC
 233 Canoe Brook Road
 Short Hills, NJ 07078
 973-218-2381**
4. Project Name and Address:
**Marbella Tower Urban Renewal Associates South, LLC
 401 Washington Boulevard
 Jersey City, NJ 07310**
5. Rebate amount:
**Incentive #1: \$35,935
 Incentive #2: \$359,347
Incentive #3: \$233,576
Total: \$628,858.00**

6. Brief description of measures

1	Unitary HVAC/Split Systems	Energy Star rated A/C
2	Insulation - Ceiling	Insulation, roof deck or attic
3	Insulation - Walls, Kneewalls, Rim Band/Joists	Face brick, 6" concrete, Dow Thermax rigid insulation R-13 c.i., air layer, gypsum board (U-0.062)
4	EE Windows and Glass Doors	U-0.43 value units
5	Lighting	CFLs, fluorescent fixtures
6	Custom Electric	Energy Star Washing machines
7	Custom Gas	Low-flow showerheads
8	Water Heater (Gas) - > 50 Gals.	DHW heater, high efficiency
9	Hot Water Boiler (Gas)	DHW heater, high efficiency

7. Annual Estimated Energy Savings:
**620,929 kWh
 819.45 kW
 24,561.30 Therms**
8. Annual Estimate Energy Cost Savings:
\$137,233