

Agenda Date: 11/16/15  
Agenda Item: 8A

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

CLEAN ENERGY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM ) ORDER  
AUTHORIZATION OF COMMERCIAL AND INDUSTRIAL )  
PROGRAM ENERGY EFFICIENCY INCENTIVES )  
EXCEEDING \$500,000.00: JOURNAL SQUARE )  
ASSOCIATES, LLC ) DOCKET NO. QG15101213

**Party of Record:**

**Joe Punia, Executive Vice President, Journal Square Associates, LLC**

BY THE BOARD:<sup>1</sup>

The New Jersey Board of Public Utilities (Board) and its New Jersey Clean Energy Program (NJCEP) include nine individual Commercial & Industrial (C&I) Energy Efficiency (EE) 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, 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. 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 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: 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; the second incentive is issued upon the submittal and approval of the As-Built

<sup>1</sup> Commissioner Upendra J. Chivukula did not participate in discussion, deliberation, or vote on this matter.

ERP; and the third incentive follows construction completion, the submittal and approval of the Commissioning Report, and confirmation that the building achieved the performance target value indicated in the proposed ERP.

By Order, the Board considers the Pay for Performance – New Construction application of Journal Square Associates, LLC, located at 615 Pavonia Avenue, in Jersey City, Hudson County (Journal Square Associates), for a total financial incentive of \$686,731.00. Journal Square Associates' application was received in May 2013 and accepted under the program guidelines in effect from March 19, 2013 through June 17, 2013.<sup>2</sup> The proposed project is a 54 story building consisting of 500,000 square feet of mixed use and apartment space. Therefore, the application includes the installation of water source heat pumps, energy efficient domestic hot water boilers, low flow water fixtures, efficient windows and doors, efficient lighting, and ENERGY STAR-certified refrigerators and dishwashers.

The estimated first incentive, for the energy reduction plan, is \$47,361.00. The estimated second incentive, for completed installation of recommended energy efficiency measures, is \$473,607.00. The estimated third incentive, for the post construction benchmarking report, which is based on the one-year true up of the ERP, is \$165,763.00. The project has an estimated 25% total energy savings, which translates into an estimated annual energy savings of 614,687 kWh of electricity, but an increased electric demand of 33.96 kW. The project is also anticipated to save 45,330 therms of natural gas. With an estimated incremental project cost of \$1,167,682.00, the project will result in an estimated annual energy cost savings of \$150,286.00, resulting in a reduction of the payback period from 8 years to 3 years. Energy savings and cost savings are measured from a code-compliant building American Society of Heating and Air-Conditioning Engineers 90.1-2007 baseline.

TRC, the Market Manager engaged by the Board to manage the NJCEP C&I EE programs, submitted certifications that the incentives were calculated in accordance with the program policies and procedures, and that the listed amounts are the true and accurate estimated incentives for which the applicants are eligible. Further, Applied Energy Group, in its role as the NJCEP Program Coordinator, also reviewed the applications and submitted certifications that the incentives were calculated in accordance with the program policies and procedures, and that the listed amounts are the true and accurate estimated incentive for which the applicants are 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 applications.

Based upon the above, the Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$686,731.00 for Journal Square Associates, and **HEREBY AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

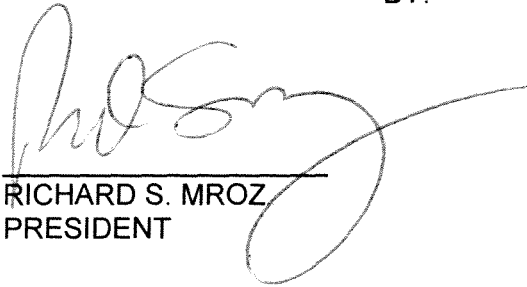
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<sup>2</sup> The Pay for Performance program partner made several revisions to the project's ERP since it was initially received on November 27, 2013 in order to comply with program requirements while also meeting design requirements of the customer.

The effective date of this Order is November 26, 2015.

DATED: 11/16/15

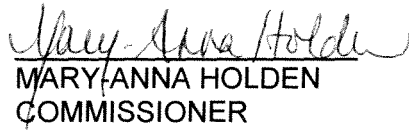
BOARD OF PUBLIC UTILITIES  
BY:



RICHARD S. MROZ  
PRESIDENT



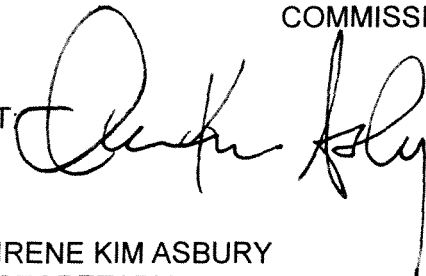
JOSEPH L. FIORDALISO  
COMMISSIONER



MARY ANNA HOLDEN  
COMMISSIONER

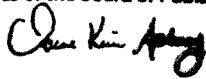


DIANNE SOLOMON  
COMMISSIONER

ATTEST: 

IRENE KIM ASBURY  
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 – JOURNAL SQUARE ASSOCIATES, LLC  
DOCKET NO. QG15101213

SERVICE LIST

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

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

Valentina Rozanova  
TRC Solutions  
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

Joe Punia  
Executive Vice President  
Journal Square Associates, LLC  
520 Route 22  
Bridgewater, NJ 08807

Irene Kim Asbury, Esq.  
Secretary of the Board  
Office of the Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Elizabeth Ackerman, Director  
Economic Development & Energy Policy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Elizabeth Teng  
Office of Clean Energy  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Sherri Jones  
Office of Clean Energy  
Board of Public Utilities  
44 South Clinton Avenue, 7<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

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

T. David Wand  
Deputy Attorney General  
Division of Law  
Department of Law & Public Safety  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07102-45029

**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: 10-22-2015

**Maura Watkins**

Quality Assurance Manager - Applied Energy Group, Inc.

Ref: \_\_\_\_\_  
App # 21075

Applicant Journal Square Associates, LLC

Payee Journal Square Associates, LLC

Committed Amount: \$686,731.00

**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: 

Date: 11-10-15

*Carl P. Teter, P.E., LEED AP, Associate Vice President*  
App# 21075

1. Application Number: **21075**
2. Program Name: **Pay for Performance - New Construction**
3. Customer Contact (name, company, address, phone #):  
**Joe Punia, Executive Vice President**  
**Journal Square Associates, LLC**  
**520 Route 22**  
**Bridgewater, NJ 08807**
4. Project Name and Address:  
**Journal Square Associates, LLC**  
**615 Pavonia Avenue**  
**Jersey City, NJ 07306**
5. Rebate amount:  
**Incentive #1: \$47,361.00**  
**Incentive #2: \$473,607.00**  
**Incentive #3: \$165,763.00**  
**Total: \$686,731.00**

6. Brief description of measures:

Energy Efficiency Measure	Brief Description of Measure	Manufacturer	Model	Capacity	Quantity	Efficiency	Efficiency Units
1	Water Source Heat Pump	Daikin	Various - See baseline and proposed models equipment list	Various	614 Heat Pumps 20 Split Systems 3 RTU Units	Various	EER & SEER
2	Water Heater (Gas) - > 50 Gals.	PVI & A.O. Smith	(3) PVI Model 75LX-250A-PVIF (3) PVI Model 50LX-250A-PVIF (1) A.O. Smith Model BTH-150	3900 MBH 1620 Gallons	7	92%	AFUE
3	Custom Gas	Delta, Symons and Moen	Delta Lav Faucet #3567 1.32gpm, Symons Shower Head EF-101 1.5 gpm and Moen Kitchen Faucet S5170 2.0gpm	N/A	1108	9.7 GPM using Energy Star Multifamily High Rise Performance Path Calculator Version 1.2	GPM
4	Windows and Glass Doors	Architectural Window	Series 3242i w/ PPG 70/Argon	N/A	40.5% Window-To-Gross Wall Ratio	2.5	R-Value

5	Other Lighting	Reduce lighting power densities from ASHRAE 90.1-2007 lighting power densities using the space-by-space method to actual lighting power densities on a room by room basis	LT1, LT5, LT6, LT8, LT9, LT10, LT13 F1, F2, F3, F4, F4A, F7, F8, F9, F12, F14, F15, F16, F17, F28, F30, F32, F33, F36, F38, F39, F40, F42, F43, F48, F50, F56, F58, F61, F63. All fixtures are compliant with Minimum Performance Standards	<p>Various - See lighting power density calculation performed by Barone Engineering Associates, LLC for lighting power densities associated with each room.</p> <p>Refer to "J2_LPD-ASHRAE_90.1-2007-INTERIOR_5-13-14.pdf" for list of interior light fixtures.</p> <p>Refer to "J2_LPD-ASHRAE_90.1-2007-EXTERIOR_5-13-14.pdf" for list of exterior light fixtures.</p> <p>Refer to "J2_LPD_P4P_DWELLINGS_5-13-14.pdf" for list of dwelling units light fixtures.</p>	Various	5214	Various	W/sf
6	Custom Electric	Upgrade standard appliances to ENERGY STAR appliances	GE	Refrig-GE GTZ18GBESS, Dishwash-GE GDT530PSDSS		538 Refrigerators and 538 Dishwashers	587 KWh/year & 36.1 kW Hourly Demand	kW per hour

7. Annual Estimated Energy Savings compared to ASHRAE 90.1-2007

**614,687 kWh**

**-33.96 kW**

**4,533 MMBtu Natural Gas**

8. Annual Estimate Energy Cost Savings (based on incremental project cost):

**Annual Cost Savings: \$150,286**

**Without Incentive: IRR 10.5%, 8 year payback**

**With Incentive: IRR 31%, 3 year payback**

9. Estimated incremental project cost:

**\$1,167,682**