



Agenda Date: 3/3/2021
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 ACOUSTICAL TESTING)
PILOT PROGRAM PURSUANT TO N.J.S.A. 48:3-60.3)
)
) ORDER
) DOCKET NO. QO21010014

BY THE BOARD:

BACKGROUND:

On February 9, 1999, the Electric Discount and Energy Competition Act ("EDECA"), N.J.S.A. 48:3-1 to 3-46, N.J.S.A. 48:3-49, 48:3-98 and N.J.S.A. 48:3-51, -57, -59, -60, -63, 65 and -66, was enacted. L. 1999, c. 23, § 66. Among other provisions, EDECA established the Societal Benefits Charge at N.J.S.A. 48:3-60 ("SBC"). The SBC constitutes a per unit charge billed to ratepayers by an electric or gas public utility at a level determined by the Board in accordance with N.J.S.A. 48:3-60. The total amount of the SBC paid by each commercial or industrial ratepayer constitutes its SBC liability, and a portion of those remittances funds clean energy programs. The SBC funds programs for the advancement of energy efficiency ("EE") and renewable energy in New Jersey.

Section 3.1.3 of the 2019 Energy Master Plan ("EMP")¹ recommends that "New Jersey should look to new energy-saving opportunities in complementary sectors, such as the water sector" noting that "energy costs associated with running pumps is one of the top three costs for water utilities in New Jersey. Wastewater treatment facilities could also be critical in driving energy reductions, as could monitoring and replacement of leaking water supply pipelines."

The Board established fiscal year 2021 ("FY21") for New Jersey's Clean Energy Programs ("NJCEP") and Budgets by Board Order² dated September 23, 2020. The NJCEP FY21 budget provided for the funding of numerous EE programs, including an allocation in the amount of \$1.5 million for an Acoustical Testing Pilot Program. The Acoustical Testing Pilot Program encourages the exploration of new energy-saving opportunities in complementary sectors, such as the water sector.³ This pilot incentive program allocates resources to facilitate water utilities purchasing or

¹2019 New Jersey Energy Master Plan, § 3.1.3, available at https://nj.gov/emp/docs/pdf/2020_NJBPU_EMP.pdf.

² See I/M/O the Clean Energy Programs and Budget for Fiscal Year 2021, Docket No. QO20080539 (Sept. 23, 2020).

³ Id. at 3 and 5.

renting acoustic monitoring systems that employ permanent leak monitoring technology to enable them to more efficiently and effectively locate water leaks. This pilot program welcomes proposals from all New Jersey water utilities but primarily seeks to address water and energy losses in urban and older suburban communities with older infrastructure and that would also result in benefits to overburdened communities.⁴

BOARD STAFF RECOMMENDATIONS:

Staff recommends that the Board approve the Acoustical Testing Pilot Program which addresses water and energy losses arising from aging water infrastructure within the State of New Jersey, with an emphasis on mitigating water and energy losses within overburdened communities. The FY21 budget allocates a total of \$1.5 million in grant resources through the use of SBC funds to successful water utility applicants for the purpose of purchasing or leasing acoustic monitoring systems that employ permanent leak monitoring technology. Staff recommends that funds be awarded through a competitive review process and be disbursed in two tranches: one associated with the initial award and the second upon receipt and approval of the final report. Staff recommends that each grant be less than \$500,000 and have a term length of 18 months following the first disbursement of funds.

Projects that seek to realize benefits in overburdened communities and that entail novel applications of permanent leak monitoring technology will be prioritized in the evaluation process.

DISCUSSION:

The Board notes that water and energy losses associated with leaking water infrastructure in New Jersey result in tens of billions of gallons and tens of millions of kilowatt-hours of energy lost each year. Advanced acoustic leak detection technology has been successfully employed by water utilities in New Jersey and elsewhere to more efficiently and effectively locate water leaks and thus realize significant water, energy, and cost savings, as well as further advance the objectives of the EMP.

The Board has reviewed Staff's recommendations on the Acoustical Testing Pilot Program and **FINDS** that they are consistent with the goals of reducing energy use and water loss. Therefore, the Board **HEREBY APPROVES** the Acoustical Testing Pilot Program.

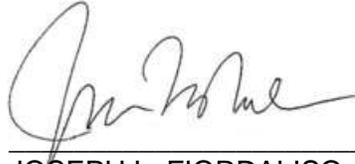
The Board **HEREBY ORDERS** Staff to take the necessary steps to fully implement the program, including the development and release of an application, a submission process, the establishment of reporting and/or monitoring procedures, and the evaluation of the applications.

⁴ See New Jersey's Clean Energy Program™ Fiscal Year 2021 Program Descriptions and Budgets 7 (2020), available at <https://njcleanenergy.com/files/file/Library/Compliance%20Filings/FY21/DCE%20FY21%20Compliance%20Filing%20Approved%20FINAL%2009%2023%2020.pdf>.

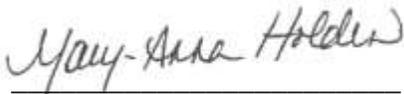
The effective date of this Order is March 13, 2021.

DATED: March 3, 2021

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER

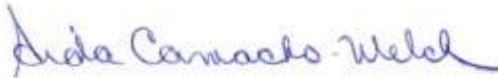


UPENDRA J. CHIVUKULA
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ROBERT M. GORDON
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

**IN THE MATTER OF THE ACOUSTIC TESTING PILOT PROGRAM PURSUANT TO
N.J.S.A. 48:3-60.3 - DOCKET NO. QO21010014**

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