



Agenda Date: 5/5/21
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) ORDER
AUTHORIZATION OF COMMERCIAL AND)
INDUSTRIAL PROGRAM ENERGY EFFICIENCY)
INCENTIVES EXCEEDING \$500,000 – BRISTOL-)
MYERS SQUIBB) DOCKET NO. QO21040695

Parties of Record:

Arturo Abacan, Associate Manager, Energy Administration, Bristol-Myers Squibb
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:¹

The New Jersey Board of Public Utilities ("Board" or "BPU") through its New Jersey Clean Energy Program ("NJCEP") includes several individual Commercial & Industrial ("C&I") Energy Efficiency ("EE") Programs targeting the commercial and industrial market segments. Eligible applicants may receive rebates for a portion of the cost for installing energy efficient technologies such as lighting, HVAC, and other energy conservation measures. Incentives are also available for projects involving Distributed Energy Resources ("DER"). All proposed C&I EE financial incentives and rebates exceeding \$500,000 require explicit Board approval. In the Matter of 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 Docket No. EO07030203, Order dated May 3, 2013.

The Large Energy Users Program ("LEUP") fosters self-investment in EE and combined heat and power projects for New Jersey's largest C&I customers. Incentives are awarded to customers that satisfy the program's eligibility and program requirements for investing in self-directed energy projects that are customized to meet the requirements of the customers' existing facilities, while advancing the State's energy efficiency, conservation, and greenhouse gas reduction goals.

¹ Commissioner Robert M. Gordon recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

By this Order, the Board considers the application of Bristol-Myers Squibb (“BMS” or “the Company”), submitted on June 25, 2019 under the Fiscal Year 2019 (“FY19”) LEUP pursuant to the Energy Efficiency and Renewable Energy Program Plan Filing for FY19 dated March 29, 2019. The project would occur at four different BMS locations across New Jersey. The Company requests a total financial incentive of \$819,301.66 for a project that will cost \$2,976,966.40.

The proposed energy conservation measures differ at each location. At the Company’s Lawrenceville location, existing pneumatic controllers would be replaced with updated models that allow for more efficient air flow, and many laboratory and office areas would receive LED lighting upgrades. At the New Brunswick location, the chiller plant would be upgraded to be fully integrated into a larger building automation system to fully optimize efficiencies, and laboratory and office areas would receive LED lighting upgrades. At the Princeton Pike location, the existing LED lighting would be upgraded with occupancy sensors to reduce runtime. Finally, at the Nassau Park location, the existing condenser water system would be replaced with a new, highly efficient model with variable frequency drives that would allow the system to meet cooling requirements based on actual demand rather than running at a single speed at all times.

On an annual basis, this project is anticipated to conserve 2,636,199 kWh of electricity and 11,577 therms of natural gas. The project will also reduce peak demand by an anticipated 78.3 kW per year and result in annual energy cost savings of about \$272,013.95. The payback period without incentives is 10.9 years; when factoring in the incentives, the payback period is reduced to 7.9 years.

TRC Environmental Corporation (“TRC”), the Program Manager engaged by the Board to manage the NJCEP LEUP, attested to the accuracy of certain information regarding the project and that the project application adheres to the current terms and conditions of the program. Further, TRC, in its role as the NJCEP Program Administrator, submitted its certification that the incentives were calculated in accordance with the program’s policies and procedures, the listed amounts are the true and accurate estimated incentives for which the applicant is eligible, and the documentation supporting the estimated energy savings inputs was located, reviewed, and made available to calculate the rebate amounts as required by the program’s policies and procedures. Based on these certifications and the information provided by TRC, Board Staff recommends approval of the above-referenced application.

After thorough review of the record and Staff’s recommendation, the Board **HEREBY ORDERS** the approval of the aforementioned application for the total estimated incentive amount of \$819,301.66 for Bristol-Myers Squibb and **AUTHORIZES** issuance of a standard commitment letter to the applicant identified above, setting forth the terms and conditions of this commitment.

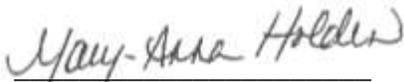
The effective date of this Order is May 10, 2021.

DATED: May 5, 2021

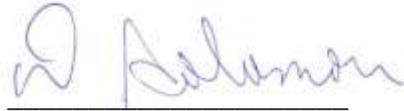
BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE CLEAN ENERGY PROGRAM AUTHORIZATION OF COMMERCIAL
AND INDUSTRIAL PROGRAM ENERGY EFFICIENCY INCENTIVES EXCEEDING \$500,000 –
BRISTOL-MYERS SQUIBB

DOCKET NO. QO21040695

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The undersigned preparer attests that, to the best of their knowledge and belief, the above information is accurate and the subject project application adheres to the current terms and conditions of the Large Energy Users program.

Brian DeLuca

Signature of Preparer

2-16-2021

Date

Brian DeLuca

Name of Preparer

57398

App#

1. Application Number: **57398**
2. Application Received Date and Fiscal Year: **6/25/2019, FY19 Large Energy Users Program**
3. Compliance Filing: **FY2019 Compliance Filing dated 3/29/2019**
4. Customer Contact (name, company, address, phone #):

Arturo Abacan
Associate Manager, Energy Administration
Bristol-Myers Squibb
PO Box 4000
Princeton, NJ 08543

5. Project Name and Address:
Lawrenceville G1/G2 LED Lighting Upgrade and H4 Controller Upgrade
3551 Lawrenceville Rd.
Princeton, NJ 08540

New Brunswick B107 LED Lighting Upgrade and Chiller Plant Optimization
1 Squibb Dr
New Brunswick, NJ 08901

Princeton Pike Lighting Controls Upgrades Phases II and III
3401 Princeton Pike
Lawrenceville, NJ 08648

Nassau Park Condenser Water System Upgrade
100 Nassau Park Blvd
Princeton, NJ 08543

6. Rebate amount: **\$819,301.66**

7. Brief description of measures:

Lawrenceville

G1/G2 LED Lighting Upgrade: Replacement of fluorescent fixtures and tubes with new LED 2x4 and LED tubes throughout modules G1 and G2 laboratory/office areas.

H4 Controller Upgrade: Replace existing pneumatic controllers in H-Module office/lab rooms with new Honeywell CP-IPC equipment which allows room exhaust CRM to trail supply CRM to achieve lower air flow.

New Brunswick

B107 LED Lighting Upgrade: Replacement of fluorescent fixtures and tubes with new LED tubes throughout laboratory/office areas.

Chiller Plant Optimization: Upgrade control of the south chilled plant and pond water systems from partially manual to a Siemens building automation system

and pumping controls that are fully integrated in order to optimize sequences. This includes installation of hardware and some isolation valves at chillers.

Princeton Pike

Lighting Controls Upgrades Phases II and III: Install new occupancy-based on/off and dimming controls to reduce runtime of existing LED lighting in offices and conference rooms.

Nassau Park

Condenser Water System Upgrade: Replace an existing two-cell cooling tower that has two-speed motors with a new VFD driven cooling tower. Replace four existing condenser water pumps to higher efficiency models of equivalent size with VFDs. The VFDs allow the system to modulate lower based on actual cooling demand.

8. Annual Estimated Energy Savings:
2,636,199.00 kWh
78.3 kW peak demand
11,577 therms
9. Annual Estimated Energy Cost Savings: **\$272,013.95**
10. Project cost: **\$2,976,966.40**
11. Operational and Maintenance Savings: **\$0**
12. Simple Payback Period: **10.9 years without incentive; 7.9 years with incentive**

**Program Administrator Certification
(New Incentive Commitments > \$500,000)**

I, **Maura Watkins**, TRC Companies Quality Control, hereby certify that, I have reviewed the application referenced below and determined that, as required by the policies and procedures applicable to the program, (1) the equipment incentives for which the NJCEP Program Manager now seeks approval to commit NJCEP funds have been calculated in accordance with those policies and procedures, and (2) that the amount shown below is the true and accurate estimated incentive for which the applicant(s) is(are) eligible.

Additionally, for incentives based on estimated energy savings that are uniquely calculated, including the Pay for Performance Program, Large Energy Users Program, and the Combined Heat and Power Program, I also certify that I was able to locate and review documentation supporting the inputs used to calculate the rebate amount and evidencing the NJCEP Program Manager's evaluation of those inputs as required by the program's policies and procedures.



By: _____

Date: **02-16-2021**

Maura Watkins

Quality Control – TRC Companies

Application No.: **57398**

Applicant: **E.R. Squibb and Sons/Bristol-Myers Squib**

Payee: **E.R. Squibb and Sons/Bristol-Myers Squib**

Committed Amount: **\$819,301.66**