



New Jersey's **Clean Energy** Program:

NAESCO Northeast Regional Meeting
September 19, 2007
Transforming Energy Policies



Michael Winka, Director
Mona Mosser Chief EE Programs
New Jersey Board of Public Utilities
Office of Clean Energy



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New Jersey's Clean Energy Program:

- Statewide program administered by New Jersey Board of Public Utilities
- \$180 million in funds each year BUDGETED 6 yr avg
- \$110 million in funds each year EXPENDED 6 year avg
- Incentives and rebates for installation of Electric EE, Natural gas EE and renewable energy technologies
- 2008 CEP budget \$235 million
- All New Jersey ratepayers...



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New Jersey's Clean Energy Program 05 – 08 Allocation Bill impact and rate impact



SBC Allocation

- **44% of the SBC allocated for electric Energy Efficiency**
- **17% of the SBC allocated for natural gas Energy Efficiency**
- **37% of the SBC allocated for Renewable Energy**

Bill Impacts

- **\$18 per year per the average residential electric customer**
- **\$14 per year yr per the average residential natural gas customer**

- **\$14 per year per household for electric Energy Efficiency**
- **\$5 per year per household for natural gas Energy Efficiency**
- **\$12 per year per household for Renewable Energy**

- **1-2% rate impact over 4 years (2005 – 2008) or 0.25 - 0.5% PER YEAR**



Total rate impact 2 to 3 %

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New Jersey's Integrated Approach Goals and Objectives



- EE (including CHP) and RE will provide energy growth by 2012
- 20% annual increase in electric and natural gas energy efficiency saving
- 785,000 MWh of electricity and 0.6 billion cubic feet of gas will be saved through EE programs by 2012
- 300 MW of Class I RE facilities by 2008



• 90 MW PV by 2008

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New Jersey's New Goals and Objectives



- 20% reduction in energy use by 2020
- 20% Class I Renewables by 2020
- 2% or 1500 MW solar by 2020
- Achieve 1990 GHG by 2020
- 80% reduction in 2006 GHG levels by 2050



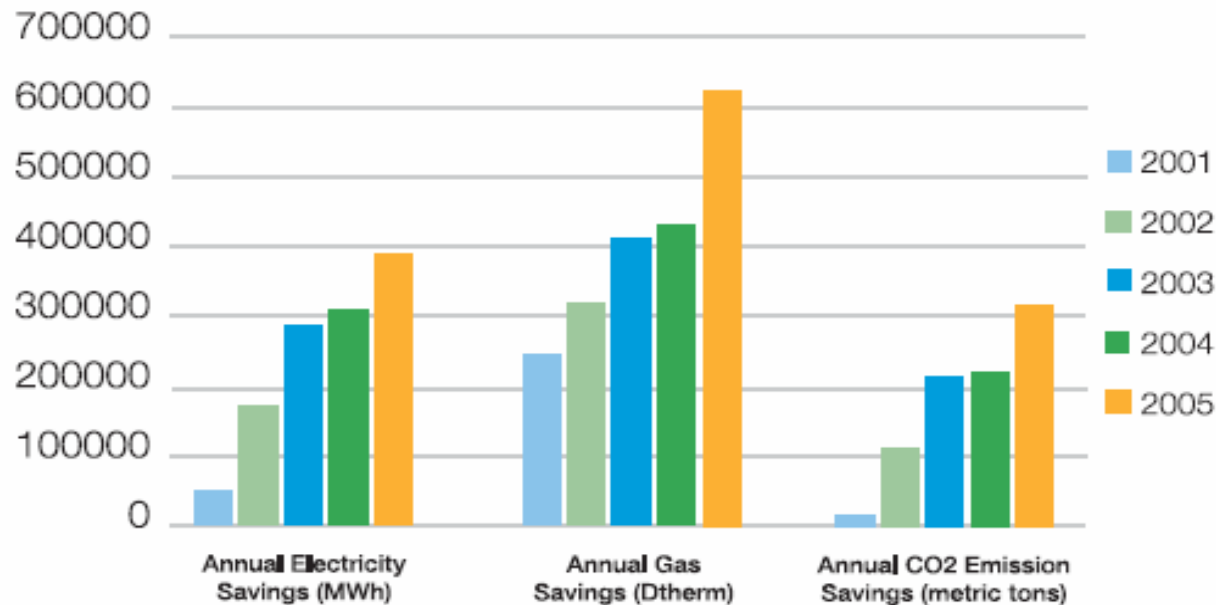
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New Jersey's Clean Energy Program Savings



Annual Energy and CO2 Savings

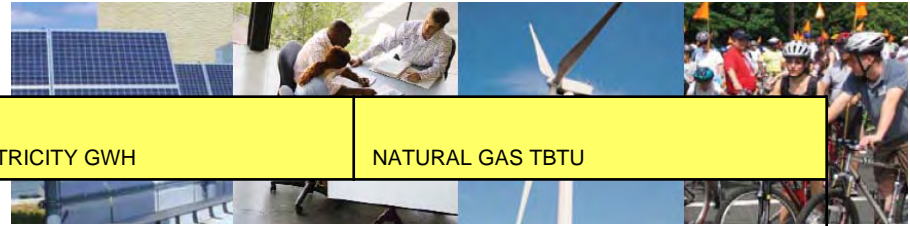


Combined, the 5-year Program activities resulted in lifetime energy savings of over 14 million MWh of electricity, 38 million Dekatherms of natural gas, and 788,000 MWh of renewable generation.



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	ELECTRICITY GWH	NATURAL GAS TBTU
EEPG for Building Codes		
Residential	1,572	4.40
Commercial	710	3.25
Industrial	34	0.24
Subtotal	2,316	7.89
EEPG for Appliance Standards EAct2005 Plus Future Standards		
Residential	1,556	4.42
Commercial	688	1.61
Industrial	306	0.67
Subtotal	2,550	6.70
EEPG for Appliance Replacements, Existing Buildings and Construction of New and Renovated Buildings above Codes		
Residential	7,005	33.52
Commercial	8,376	19.12
Industrial	1,009	2.00
Subtotal	16,390	54.64
STATEWIDE EEPG TOTAL	21,256	69.24

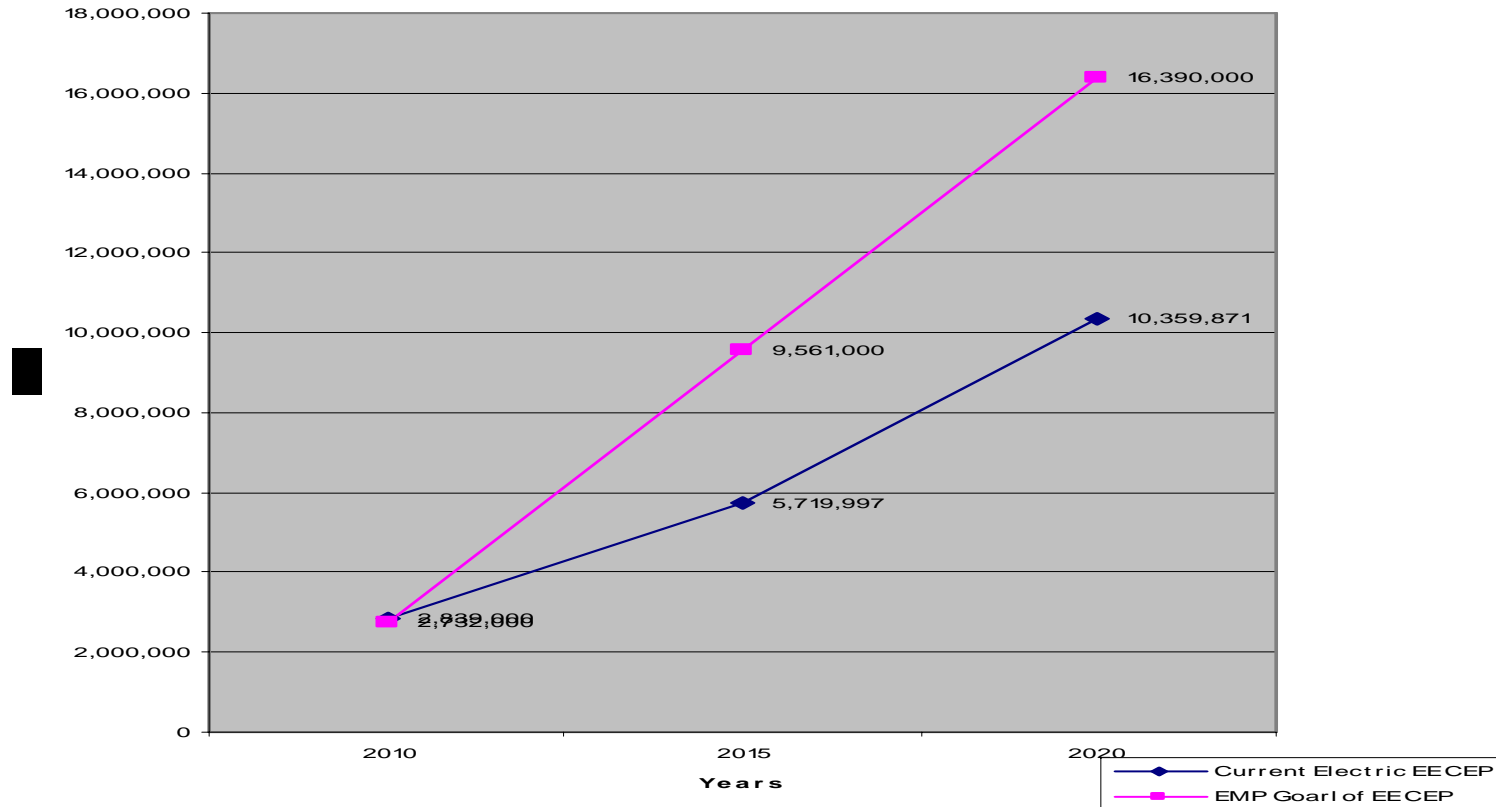


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Current Total Electric Energy Savings vs EMP Goals

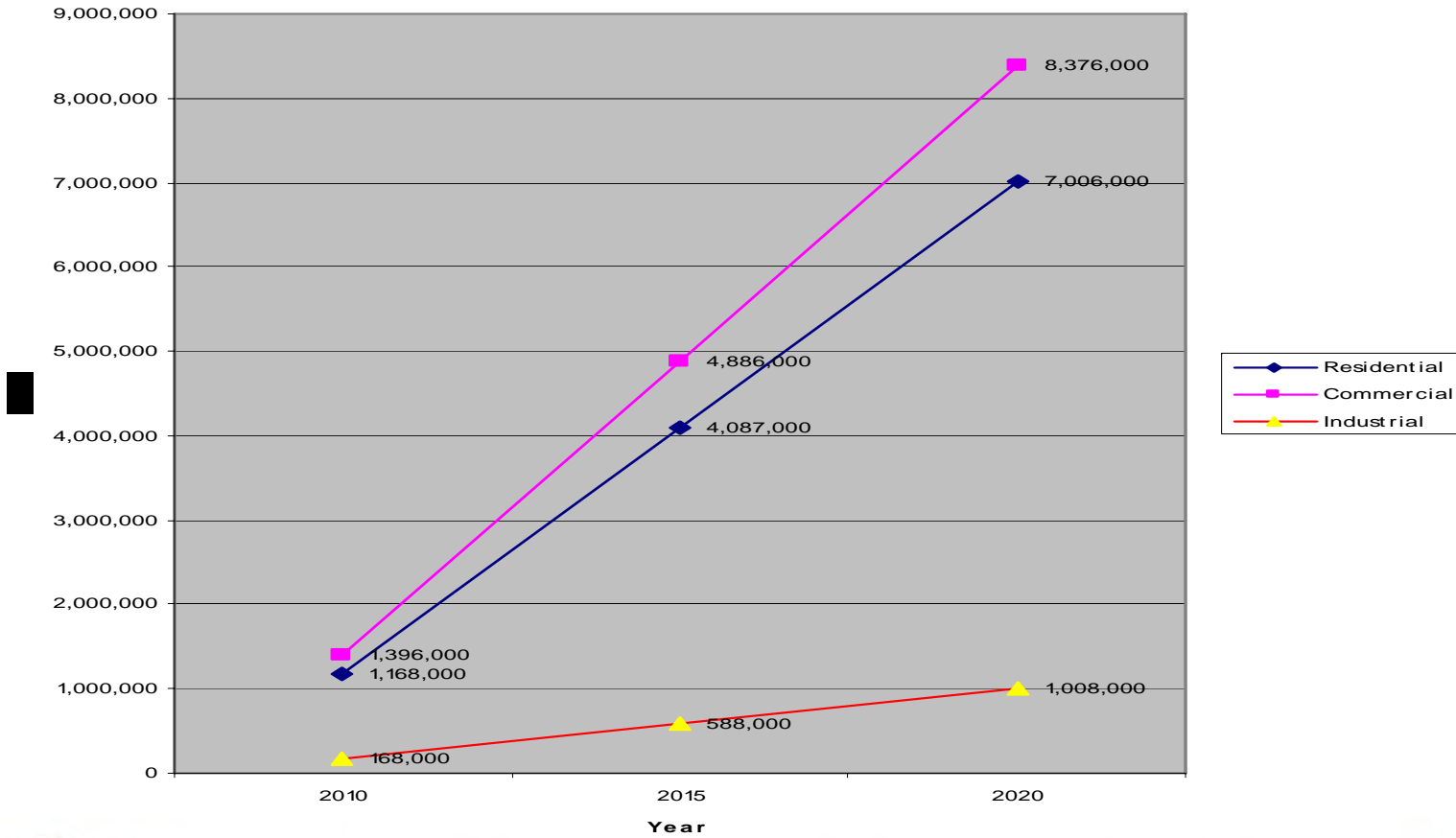


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Electric EE by Sector to meet the EMP goals

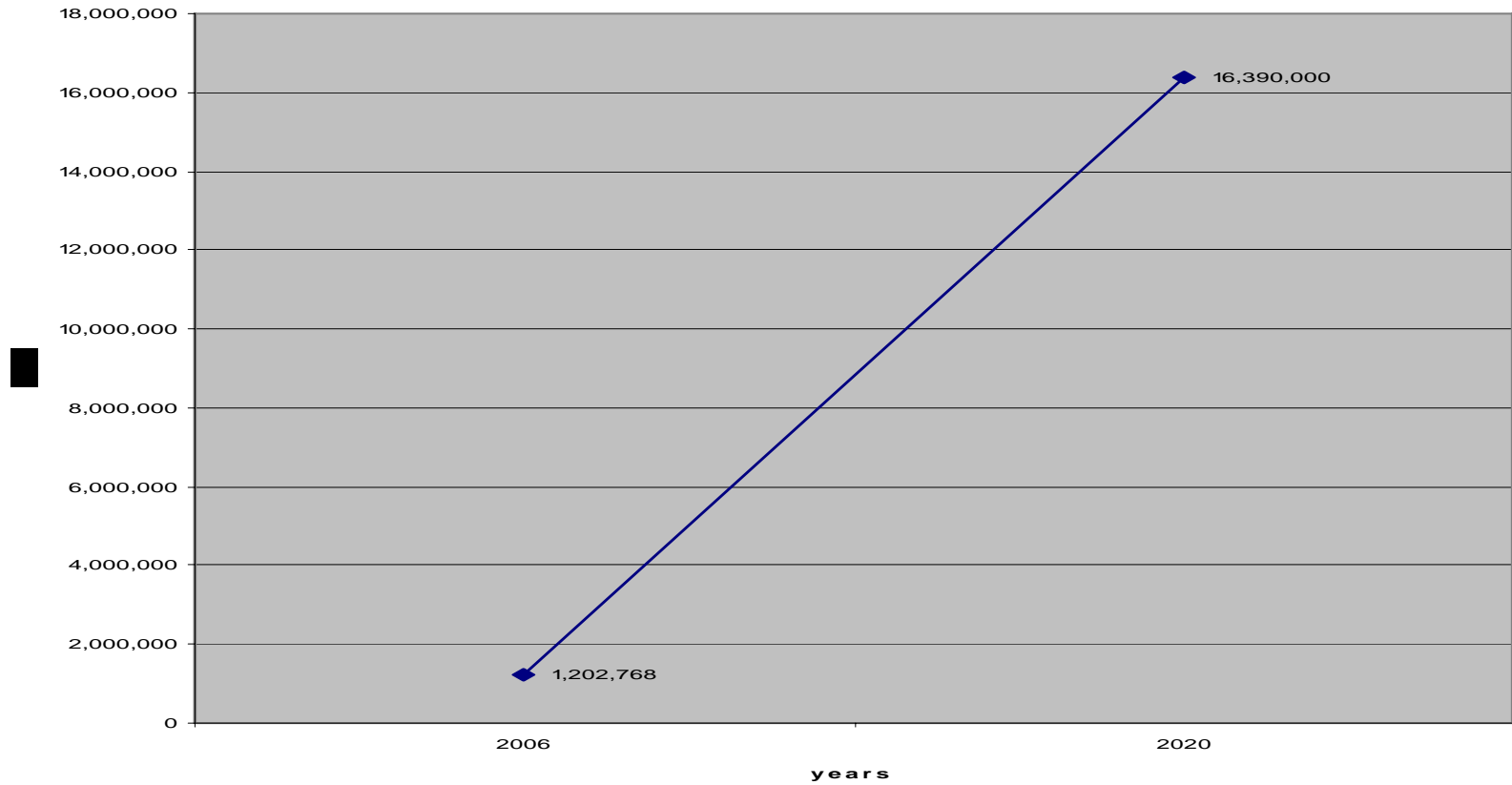


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Electric EE to meet the EMP goal based on current CE programs

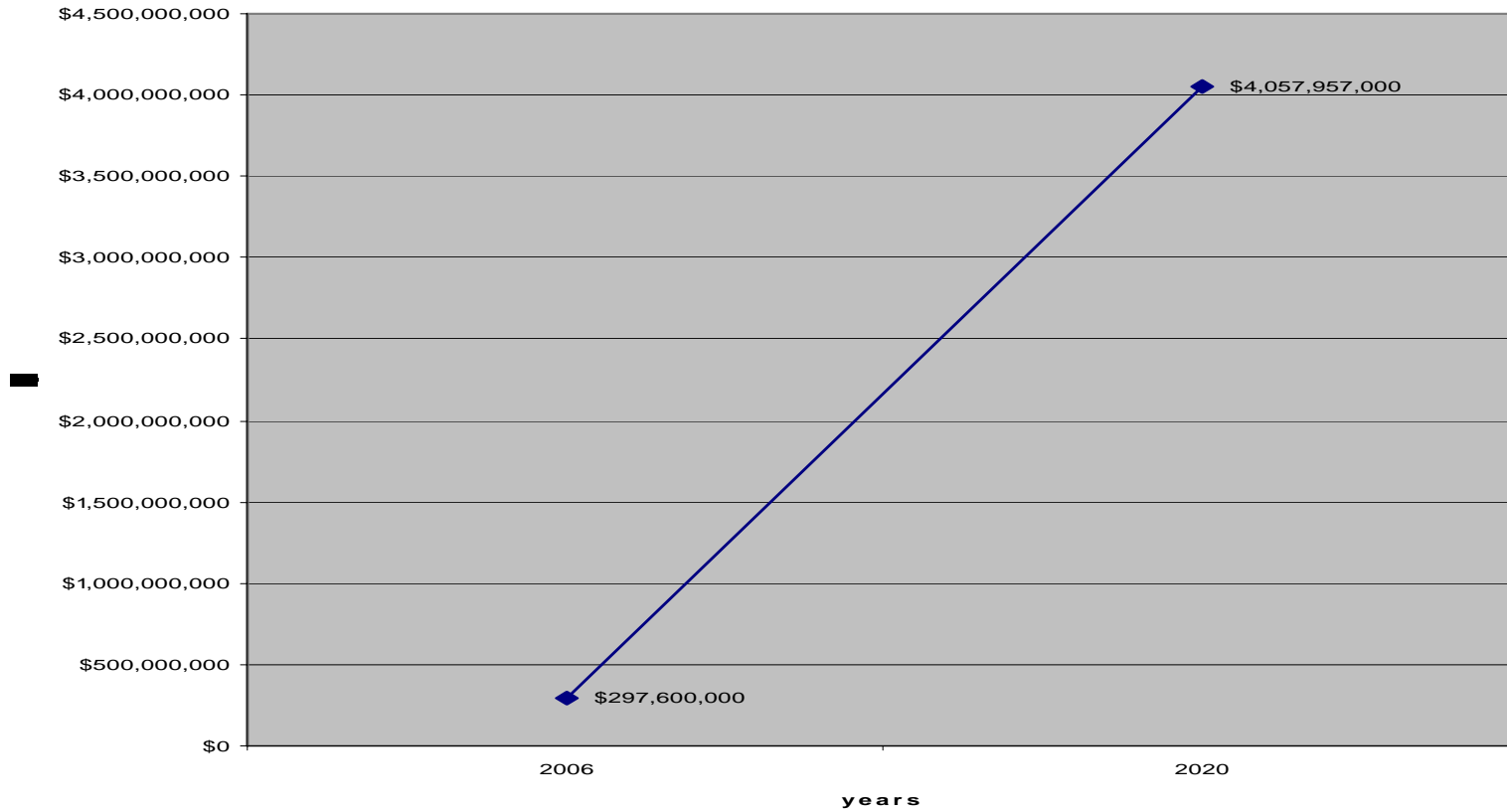


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Total spending to meet EMP goals based on current CE program expenditures

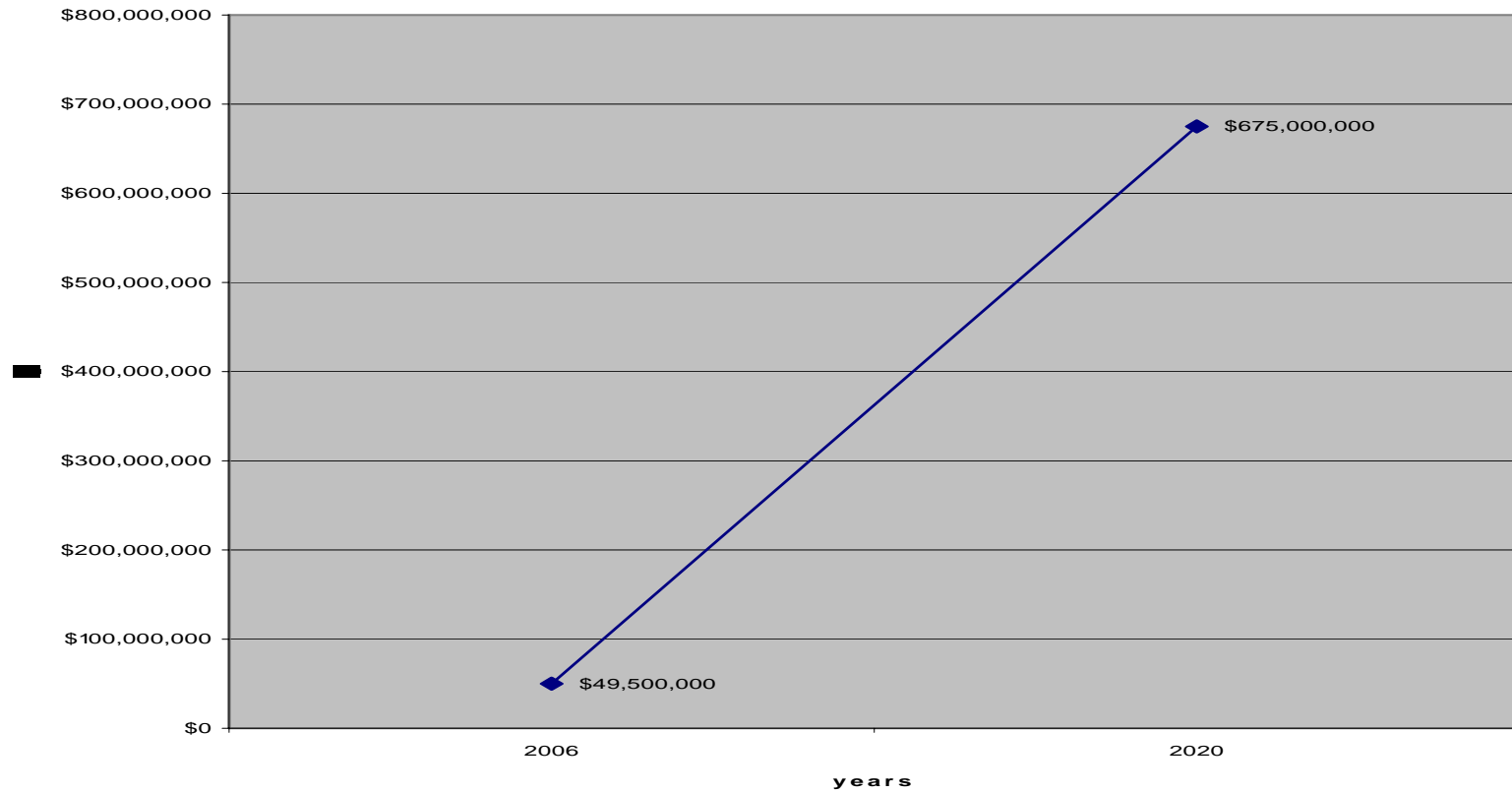


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**Annual expenditure for electric EE program to meet EMP goals
based on current Annual Electric CE Programs**



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Clean Energy Incentives

- **Municipal/Local Government Audit Program**
- SmartStart & CHP Programs
- Customer On-Site Renewable Energy (CORE Program)
- Direct install
- Pay for Performance



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Municipal/Local Government Audit Program

- Initial \$1 million authorized by BPU
- Incentive Structure:
 - Subsidize **initial percentage** of up-front audit cost
 - Subsidize **additional percentage** if upgrades are performed/installed



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Municipal/Local Government Audit Program

Program Process:

- Treasury issues RFP and selects pre-qualified auditors: Fall '07
- Municipalities or other local governmental entities request proposals from pre-approved auditor list
- C/I Market Manager provide technical support for audit RFP development + review of audit report
- C/I Market Manager reimburses municipality
- C/I Market Manager provides implementation support



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The 2007 New Jersey Clean Energy Conference **Agenda** Partnering for Climate Change Solutions

Bringing together clean energy organizations, businesses, and supporters to achieve New Jersey's clean energy goals of 20% by 2020.

- **September 27, 2007**
Pre-Event Technical Workshops for Municipalities
 - Municipal Energy Audits & Calculating Your Carbon Footprint
 - Clean Energy Contracting for Municipalities
 - Municipal Green Design & Planning



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Pay for Performance Program

- Whole Building Approach
- Incentives tied to actual savings
- Develop Energy Reduction Plan
 - Benchmark facility
 - Data loggers; amp meter
 - Identify minimum performance goals (20%)
 - Plan should achieve no less than the minimum performance goals



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Pay for Performance, continued

- Incentives paid at milestones
 - Completion of Energy Reduction Plan
 - Completion of installation (field inspected)
 - Balance when M&V proves savings



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Direct Install Program — CONCEPT

- Focus on underserved Small Business Sector
- Minimize barriers of: “No Time, No Capital”
- Use direct contact marketing
- Use local direct install contractors/vendors
- Provide generous incentives...up to 80%
- Provide easy-to-use financing



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Contact:

**New Jersey Clean Energy Program
Commercial/Industrial Market Manager
c/o TRC, 900 Route 9 North, Suite 104
Woodbridge, NJ 07095
866-433-4479**

Visit: NJCleanEnergy.com



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Thank you
Questions ??

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