

New Jersey's Clean Energy Program
Energy Efficiency Committee Meeting
September 16, 2008
Hosted by TRC - CSG/Iselin

- **Attendees:**

In Person: Frank Reilly (TRC), Roger Kleimisch (TRC), Karen Paine (TRC), Linda Wetzel (AEG), Dave Holland (Honeywell), Bruce Grossman (SJG), Sharon Wolfe (NJ BPU), Mike Ambrosio (AEG), Mona Mosser (NJ BPU), Ann-Marie Perracchio (NJNG), Clif Payne (CMC), Chris Granda (VEIC), Ben Adams (MaGrann), Gabriel Nathanson (NJ HMFA), Julie deSeve (CSG), David Wolk (Honeywell), Doris Ikle (CMC), Joe Gennello (Honeywell), Gary Minkoff (Above and Beyond Marketing), Maria Grazul (CSG), John Zarzyki (NJ BPU), Jonathan Cloud (FDU), Tom Donadio (JCP&L)

Via Phone: Diane Zukas (TRC), Greg Coleman (TRC), Joe Carpenter (DEP), Elaine Bryant (PSE&G), Kurt Lewandowski (Rate Council), Fred Hauber (Eastern Energy)

KICKOFF - Roger Kleimisch

1. Mike Ambrosio:
 - The TRC contract mods have all been approved.
 - Currently Treasury is reviewing the Honeywell contract mods.
 - Final Plan Draft to OCE Staff: Sept. 19
 - NJCEP Residential Plan Filing: Sep. 26
 - Mona and Mike met with Treasury on 9/15 and started discussions on extending the Market Managers contracts. Recommendation is to extend contracts one year.
 - CRA decision was made and the order is being finalized (in legal). Mike is hopeful that the order is making its way thru legal and will be signed (CRA sets the funding levels for next few years).
 - There is another order in place to adjust the 2008 budgets.
2. New Funding for 2009 (power point presentation) – Mike Ambrosio
3. Honeywell Presentation (power point presentation) - Chris Granda

EnergyStar Products Goal for year:

18,000 washers
10,750 room a/c
2,500 dehumidifiers

Cool Advantage/WARM Advantage

No duct-less mini splits processed yet (new program that started in June)

NJ Energy Star Homes

Completions are up from July
On target to hit % of goals on permits and CO's

Home Performance with Energy Star (HPwES)

YTD completions 71 (change from slide at 69)

ACI conference in Atlantic City was well attended and a success

2009 plans are contingent upon 2008 contract mods being approved.

2009 proposed changes for HPwES

In NJ Home Performance leads with an audit. The audit informs customers on what kinds of services they may want to partake of and then sells them on the services.

Getting customers to spend money on energy efficiency improvement has always been a challenge of the program and will remain a challenge in 2009. New tiers are proposed for 2009 as follows:

Tier 1

- Perform an assessment that is shorter and cheaper.
 - Omit doing blower door in initial assessment to lower the cost to \$125.

Tier 2

- Air sealing of the major measure package be broken out and offered “Free of Charge” to customers. This tier to include:

Blower door test

8 hours of air sealing (done with foam)

Most of the air sealing is outside the living space

Total cost to customer to do Tier 1 and Tier 2 is \$125.

Plan is to have independent contractors and a combination of Market Manager staff perform the audits under stringent program requirements.

Currently 41 contractors in NJ have gotten the necessary BPI certification (hoping to get to 65 by year end).

Tier 3 –

- Similar to 2008 program
- Pays up to 50% based on level of saving achieved

A mechanism for accelerated payments of incentives is also being proposed.

- Currently averaging over 45 days
- Need to reduce to under 30 days (15 days better)
- Proposal: incentive seed fund
 - For shorter turnaround time to pay contractors
 - Alternative is getting rid of the wet signature requirement.

4. TRC C/I (power point presentation) – Roger Kleimisch

- Program results to date:
 - Received 1856 applications
 - Approved 1400

Approved for payment 1057

Pre inspected 582

Post inspected 737

CHP budget carries over into next year.

Over the past month payments to contractors have improved. As a result TRC is getting positive feedback from the market and an increase in applications.

Many Townships have called regarding municipal audit (Roger is keeping a list of the calls). Brochures, other promotional pieces and a PR plan to launch this program are under development.

Received Approval on 9/3/08 to begin design of the following new programs:

Municipal Audit

TEACH

Expect to complete design of Muni Audit and TEACH within 30 days

Pay for Performance

Expect to complete design of Pay for Performance within 90 days. Mike suggested that at a future meeting TRC identify program caps for Pay for Performance and provide more design details.

Regarding the Direct Install program – Mike Ambrosio recommended TRC prepare the Program Implementation Modification as soon as possible.

Mike Ambrosio asked TRC to keep Mona and Linda advised of marketing rollout for the new programs. Marketing materials need to be reviewed by Mona prior to release.

TRC reviewed the proposed cap of \$300,000 for 2009 SmartStart applications. Someone on the phone asked what the rationale is for a cap and why isn't it even higher. Mona explained that they have not seen projects that have fallen apart because of the cap. She feels that is a fair number and is working to protect ratepayer interest and not pay more than we have to pay. The new 2009 programs offer a larger incentive cap than current program.

TRC is proposing a separate program for sector specific initiatives and Mona asked why can't this be a component of an existing program? BPU and TRC staff will have follow-up discussions on this issue.

5. Final Notes:

Honeywell and TRC will file their plans by end of month and get any contract mods to Treasury.

NEXT MEETING DATE:

Tuesday, October 14

9:30 CSG Iselin

6. CMC Energy Services (power point presentation) - Clif Payne & Doris Ikle.

What CMC DOES

- Leader and innovator in energy efficiency since 1977
- Design and implement residential energy audits focusing on results
- Administer low-income energy efficiency utility programs

- Create and market the only national on-site residential energy audit
- Provide inspectors for utility energy efficiency programs

Current CMC Programs

- New Jersey Comfort Partners
- PSE&G Standard Offer Service
- PECO LIURP
- TVA Residential EE Pilot
- Home Energy Tune-uP® nationwide

How does the average homeowner do this?

The report shows the homeowner exactly how to do this.

Low documentation process.

Where does the money come from?

203 K Stream line mortgage

Available from any FHA loaner

Any diagnostic testing required for audits?

No diagnostics required

CMC presented their plan for increasing the audit numbers in New Jersey to help meet the 20 by 2020 goal. Their proposal centered around targeting new homebuyers and allowing them to fold energy efficiency improvements into their mortgages.