New Jersey SmartStart Buildings - New Construction and Retrofits

State: New Jersey
Incentive Type: State Rebate Program


Eligible Renewable/Other Technologies: Geothermal Heat Pumps


Amount: Varies widely by equipment type, size and efficiency.

Maximum Incentive: General incentives may be limited to $500,000 per utility account per year. Custom Measures: limited to lesser of $0.16/kWh or $1.60/therm saved annually; 50% of total costs; or buydown to a 1-year payback period

Eligible System Size: Custom measures: Minimum first-year savings of 75,000 kWh or 1,500 therms

Equipment Requirements: Vary by measure

Funding Source: New Jersey Societal Benefits Charge (public benefits fund)

Program Budget: Retrofits (2011): $36.5 million
New Construction (2011): $9.3 million

Web Site: http://www.njsmartstartbuildings.com

Summary:

New Jersey SmartStart Buildings is a program sponsored by the New Jersey Board of Public Utilities in partnership with New Jersey's gas and electric utilities. The program has three main project categories: new commercial/industrial construction, commercial/industrial retrofits, and schools. The incentives provided through this program are available to non-residential retail electric and/or gas service customers of the participating New Jersey utilities: Atlantic City Electric, Jersey Central Power & Light, Rockland Electric Company, New Jersey Natural Gas, Elizabethtown Gas, PSE&G, and South Jersey Gas. Incentives for new construction are only available for projects within New Jersey Smart Grow thy areas while retrofit incentives are available to all commercial and industrial customers as described above. Public schools are exempt from the Smart Grow thy requirement for new construction, as are building expansions and replacements that meet certain criteria. New Jersey SmartStart Buildings receives its funding through New Jersey's Societal Benefits Charge (SBC). The incentive offering is comprised of a combination of prescriptive equipment rebates and incentives for custom improvements that save energy.

Prior to participation in the SmartStart Buildings New Construction and Retrofits Program, municipalities are eligible to participate in the separate Local Government Energy Audit Program which will subsidize 100% of the initial cost of an energy audit for local government buildings, up to $100,000. Energy efficiency improvements identified in the audit may be eligible for the SmartStart Buildings Program incentives described below.

Under this program rebates are provided for HVAC equipment, lighting, premium motors, natural gas water heaters, variable frequency drives, and custom measures approved by the participating utility. The rebate amounts are all determined by the equipment type, size and/or efficiency level. For 2011 custom electricity and natural gas measures are limited to the lesser of: $0.16/annual kWh or $1.60/annual therm saved; 50% of total project costs; or an incentive level that results in a 1-year payback period. In order to qualify for custom measure incentives a project must have a minimum first-year energy savings of 75,000 kilowatt-hours (kWh) for custom electric measures or 1,500 therms for custom gas measures, and have an internal rate of return of 10% or greater. These restrictions may be waived on a case-by-case basis if the project is within 10% of the requirements.
To participate in the program, customers must submit a properly completed application package consisting of an application and technology worksheet (where appropriate) to the program manager. The program manager will then review the application package to determine if the project is eligible for a rebate. If eligible, the customer will receive an approval letter with the estimated incentive amount and the date by which the equipment must be purchased and installed in order for the approval to remain in effect. Upon receipt of the approval letter, the customer may then proceed to install the equipment listed on the approved application. Incentives may be available for equipment purchased, but not installed, up to 12 months prior to the submission of an application, although the purchaser does so at their own risk. Outside of certain limited circumstances (see program website for details) pre-approval is required prior to the installation of any equipment.

*Click here to use the New Jersey Housing and Mortgage Finance Agency Smart Growth Locator tool.

Contact:
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