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January 14, 2020

TRANSMITTED VIA EMAIL TO EnergyEfficiency@bpu.nj.gov

Aida Camacho-Welch, Secretary of the Board Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350

RE: PSE&G Engineered Solutions Program, Colleges and Universities

Dear Ms. Camacho-Welch,

I am writing to applaud the BPU staff for their recognition of the role of utilities in delivering many Energy Efficiency (EE) programs. Utilities have inherent advantages in managing EE programs including (i) customer relationships, (ii) usage data, (iii) on-bill repayment and (iv) technical and managerial expertise. I am, however, concerned that the Straw Proposal does not establish a role for PSE&G's existing hospital and multifamily programs nor its proposed Engineered Solutions program, which proposes expanding this award winning and successful program design available to universities, non-profits and government facilities.

As the BPU staff is aware, the Engineered Solutions program provides audit, engineering, and construction of energy efficiency projects. The program provides much needed financial, technical and managerial resources, based on collective education, training and experience, to specific segments of customers who need this extra support to effectively participate in EE and execute projects.

In February 2019, the Governor and Secretary of Higher Education released "Where Opportunity Meets Innovation, A Student Centered Vision for New Jersey Higher Education." Included in the vision was the New Jersey Student Bill of Rights, which called for affordable and predictable education costs. The vision goes on to state "Increasing affordability is critical for increasing college access and success across the state. Over the past ten years, state financial support for higher education in New Jersey has declined in nominal dollars and decreased by 33% per student when

adjusted for inflation. In turn, colleges have increased prices—leaving students paying more." Energy Efficiency programs, like the Engineered Solutions Program, can help colleges and universities cost effectively manage the needed renewal of critical systems on our campuses, resulting in a direct impact on cost to the students.

NJIT alone has tens of millions of dollars of critical infrastructure that is beyond its useful life. Through conscientious stewardship, preventive maintenance, and life sustaining repairs, we have been able to keep these systems running in our aging buildings. Sixty percent of our academic and research facilities are older than 25 years with original systems. These older systems are inefficient and contribute to our overall carbon footprint by using more fossil fuels. Our limited capital renewal funding must be spent "in front" of the walls to maintain the necessary technology and pedagogical support, preventing us from upgrading this critical infrastructure in the near term. The proposed program could assist colleges and universities, like NJIT, in mitigating this deferred maintenance need by providing financial and technical support to perform these upgrades more effectively than we can alone.

The utilities, and particularly PSE&G, have a demonstrated a successful record of delivering and managing projects and results for the benefit of other institutions such as hospitals and rate-payers alike. The resources we seek in executing EE projects extend well beyond financial; the utilities, and particularly PSE&G, deliver those needed resources, guidance and support which has resulted in tremendous energy savings and recognition via 14 national, regional and local awards. By helping colleges and universities reduce their energy needs, the program will directly affect student tuition and affordability.

I understand that PSE&G has, in their CEF filing, proposed rolling the successful Hospital and Multifamily Program into Engineered Solutions, drawing on their experience, training and skills. We request that Engineered Solutions be recognized as a core utility program in the BPU's EE Straw Proposal, to make the energy saving opportunities available colleges and universities, and support achieving the State's clean energy goals and helping to keep college affordable for all New Jersey students.

Thank you for your kind attention and consideration of our input.

Regards,

Andrew P. Christ, PE

Senior Vice President