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CASE MANAGEMENT

APR 08 2019

BEFORE THE STATE OF NEW JERSEY
Board of Public Utilities

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

IN THE MATTER OF THE PETITION OF PUBLIC : DOCKET NOS. G018101112 & E018101113
SERVICE ELECTRIC & GAS COMPANY FOR
APPROVAL OF ITS CLEAN ENERGY FUTURE -
ENERGY EFFICIENCY ("CEF-EE") PROGRAM ON
A REGULATED BASIS

Comments of BriteSwitch

04/08/2019 - As a company that helps other businesses to do energy efficiency upgrades, Brite Switch applauds PSEG's effort to incent energy efficiency projects and make New Jersey a national leader in energy efficiency. While we support the general goals of the current filing, we have an issue with one small aspect of the proposed program that has a negative impact for our small business and our NJ customers: PSEG would retain the PJM capacity rights for completed EE projects.

As a small business working in the energy efficiency (EE) world, we need to uncover all potential revenue to maximize the return on investment for the energy efficiency installation. Along with utility rebates, an additional revenue source for us is the PJM Capacity Market. We have returned money received from the PJM Capacity Market to our New Jersey customers. These monies reduce the cost of the energy efficiency installation and so incents implementation of these energy efficiency upgrades. If PSEG is allowed to capture these capacity rights to the EE installations on our customers' facilities, it will reduce the return on investment for the project and potentially change customers' decisions to install energy efficiency projects at all. It would also then negatively affect our business. While we whole-heartily support PSEG's filing to increase installed energy efficiency, we do not support PSEG capturing the capacity rights of rebated projects.

In their filing, PSEG has acknowledged that there is performance risk associated with participation in PJM capacity market, and further, there is uncertainty with PJM market rules. Consequently, they have assumed no capacity revenue for the CEF-EE program. Currently, our customers receive revenue from the PJM Capacity Market for their EE projects through private participators in the capacity market. Why would the BPU allow PSEG to take away this revenue stream for energy efficiency projects and so eliminate one of the benefits for installing these projects?

CMS
Energy
Legal
DAG
S. Richardson, Legal
R. Boylan, Legal

As a small business that currently benefits from participating in the PJM capacity market, we believe the BPU should consider the ramifications of taking these benefits away and providing them to a regulated utility. Currently, the rate-payers that install energy efficiency can benefit from PJM dollars.

Respectfully submitted,

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