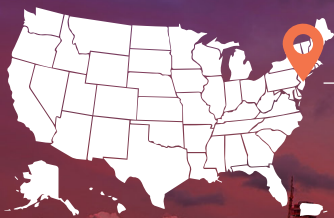


# CLEAN ENERGY PROGRAM: NEW JERSEY



**New Jersey, USA**

Year of Initiation: 2003

## Project Highlights

- Incentive based approach to transform the energy consumption pattern of New Jersey
- People centric approach to ensure energy savings
- Fosters technology driven transformation of energy marketplace of New Jersey

## Background

Pressing challenges like congestion on the grid to energy efficiency and renewable source of power lead to the prioritization of energy issues for both consumers and businesses in New Jersey. NJCEP is one of the major initiatives undertaken by the city to ensure efficient utilization of energy and

existing resources. It is a statewide program offering financial incentives and services to various stakeholders of New Jersey to help them gain energy, economic as well as environmental benefits.

## Project Objectives

The NJCEP complements the New Jersey Energy Master Plan and abides to the goals of the master plan. The three specific goals of the New Jersey Energy Master Plan to be achieved till 2020 are:



**Reduce energy consumption by at least 20%**



**Reduce peak demand by 5,700 M**



**Generate 30% of the state's electricity needs from renewable resources**

## Key Stakeholders

NJCEP is an open stakeholder process and involves parties from various respects like energy efficiency & renewable energy businesses, public officials, electric & natural gas utilities, environmental groups, business organizations, state colleges and universities.

## Approach of NJCEP

NJCEP targets the energy management sector of the city and aims to incentivize energy savings by providing financial gains to various stakeholders and consumers. The program has multiple avenues as indicated:

- The program undertook one innovative financing pilot program in 2007, Solar Renewable Energy Credits (SRECs)
- Transform the energy consumption patterns of the residents of New Jersey by providing tax credits, rebates and incentives on alternative sources of energy to consumers as well as business developers

## Financial Structure of NJCEP

- Receives funding from New Jersey's System's Benefit Charge
- Small surcharge, i.e., Societal Benefits Charge (SBC) on all customers' electricity bills is the main source of funding for the New Jersey Clean Energy Program
- A total of \$1.227 billion was collected to support NJCEP between 2001 and 2008
- A total of \$1.213 billion was collected to support the program between 2009 and 2012

## Achievements



### Benefits

- Energy savings of over 22.6 million MWh of electricity; 70 million dekatherms of natural gas; 7.5 million MWh of renewable generation; and 1.5 million MWh of distributed generation from combined heat and power systems was achieved through the program activities between 2001 and 2008
- NJCEP had supported the installation of 4,719 renewable energy projects across the state, providing 153.9 MW of sustainable energy, including solar, wind, biomass and fuel cell projects their carbon emissions till 2009
- Natural gas consumption in approximately 500,000 buildings was reduced by the activities of NJCEP

### Co-benefits

- Climate Change Mitigation
- Carbon-trading benefits to the low-income neighborhood cities

## Success Factors

- Strong and stable Institutional and legislative capacity
- Innovative and integrated strategy targeting a large spectrum of stakeholders
- Adoption of Incentive based mechanism for promoting energy savings and shift to clean energy
- Consistent and regular monitoring and evaluation mechanism



Source: <https://www.reeep.org/sites/default/files/Compendium%20of%20US%20Best%20Practices.pdf>

For more Information

<http://www.njcleanenergy.com/>

[https://www.energystar.gov/index.cfm?c=pt\\_univ.eeps\\_sites\\_njcep](https://www.energystar.gov/index.cfm?c=pt_univ.eeps_sites_njcep)