



Comments are requested regarding the following three provisions for the NJCEP CHP/FC program by COB July 19th. Comments should be submitted to: publiccomments@njcleanenergy.com. Please include the subject line "CHP/FC Comments".

1. The current program requirements, per the FY 2014 filing, states that CHP systems and fuel cells with waste heat recovery must meet 65% Lower Heating Value (LHV) efficiency to qualify for an incentive. Fuel cells that, by design, only output electricity (no waste heat) can meet electric only efficiency of 50% LHV.
 - a. Should fuel cells with waste heat output be able to qualify on electric efficiency only?
 - b. If so, should the electric efficiency be less than (or more than) 50% LHV?
 - c. If less than – what should the requirement be and should the rebate also be reduced?
2. The current program, per the FY 2014 filing, does not require systems to operate independently from the grid (islanding).
 - a. Should islanding and independent operation from the distribution grid be a requirement for public/critical facilities? (see the draft proposed definition below)
 - b. Should this be a requirement with no additional incentive or an additional incentive? What range if any?
 - c. Should this requirement differ depending on whether the host facility is new construction or existing building (variance of cost)?
3. The current program requirements per the FY 2014 filing, states that CHP/fuel cell system must be sized to meet all or a portion of the customer's on-site load, not to exceed 100% of most recent historical annual consumption or peak demand, although any surplus power that may become available during the course of a given year may be sold to PJM.
 - a. Should the program allow installations that exceed this sizing requirement (for example a system that is designed for 100% of the thermal load and therefore exceed the electric peak demand of the facility)?
 - b. Should the NJCEP incentive be limited to only that portion of the CHP/fuel cell that offsets on-site load, or should the incentive cover the additional power for export to the energy market over and above the on-site power needs?

Draft Definition of Public and Critical Facilities:

Public and Critical Facilities would be public facilities including federal, state, county or municipal and could include private hospitals or communication centers. The public and critical facilities would include police stations, fire and rescue facilities, hospitals, shelters, schools, nursing homes, water supply and waste treatment facilities, and other structures the community identifies as essential to the health and welfare of the population and that are especially important following a disaster. The public and critical facilities would be able to provide shelter and sustenance 24/7 during and after an emergency.