



## Commercial Energy Efficiency Outreach Toolkit

Created specifically for existing small to medium-sized facilities, New Jersey's Clean Energy Program™ Direct Install is a turnkey solution that makes it easy and affordable to upgrade to high efficiency equipment. The program pays up to 80% of costs for energy-saving upgrade measures. The process starts with a FREE energy assessment by a NJCEP-designated Direct Install contractor. The contractor will work with the business to cut energy costs by replacing lighting, HVAC, and other equipment with energy efficient alternatives.

This toolkit is a resource for green teams and municipalities working on the [Commercial Energy Efficiency Outreach](#) action. To complete this action, municipalities must conduct an outreach campaign promoting the NJCEP Direct Install program. Collateral for outreach campaigns has been pre-approved by NJCEP to provide 'plug and play' outreach materials that maintain the language and branding of NJCEP programs.

A municipal outreach campaign is an effective and low-cost strategy for helping businesses benefit from Direct Install. Municipal outreach campaigns encourage broader participation in the Direct Install program by increasing awareness of the incentives available. Reducing energy use reduces operating expenses, which in turn, helps the bottom line for local businesses.

### **This toolkit contains:**

- Overview of the process for businesses using the Direct Install program
- Overview of Commercial Energy Efficiency action, 10- and 20-point level options
- NJCEP pre-approved outreach collateral: letter from the mayor, press release, flyer, etc.

### **Before beginning an outreach campaign, green teams/municipalities should:**

- Let Sustainable Jersey know that the municipality is beginning an outreach campaign by sending email to: [info@sustainablejersey.com](mailto:info@sustainablejersey.com). Sustainable Jersey will arrange for the municipal outreach team to receive training with NJCEP on incentives available to businesses. This step is required to receive points for this action.
- Review the Sustainable Jersey [Commercial Energy Efficiency Outreach](#) action.
- Contact the local utility (electric and natural gas) to determine if there are resources available to assist in the outreach campaign.
- Contact the NJCEP-designated Direct Install contractor for the county. The DI contractor may help with the cost of the outreach mailing and be available to attend workshop events.
- Review the Sustainable Jersey *Best Practices for a Successful Commercial Energy Efficiency Outreach Campaign* document.

**Green teams are encouraged to use the outreach templates provided in this toolkit.**

## Direct Install Program from the Business Owner's Point of View

The Direct Install program strengthens local businesses by giving them a competitive cost advantage in both the short term and the long term. Energy-saving upgrade measures can help make the business more comfortable (reduces cold or stuffy areas) and more pleasant for customers and employees alike. Reducing energy use reduces operating expenses, which in turn, helps the bottom line for local businesses.

Energy-saving upgrade measures made through the Direct Install program usually pay for themselves within 1 to 3 years and businesses will see significant energy and cost savings for many years come. Energy-saving upgrade measures covered by the program include: lighting; heating, cooling and ventilation (HVAC); refrigeration; motors; natural gas systems; and variable frequency drives.

### Steps to Participate in the Direct Install Program

#### **STEP 1: Application**

Applicants submit the last 12 months of electric utility bills indicating that the business has occupied the building during that time and that their energy use is below the demand threshold (average peak electric demand below 200 kW for previous 12 months).

Guidance for finding the billing information needed for the application can be found on this video from the New Jersey Clean Energy Learning Center: [Using Your Utility Bill for Program Applications](#).

#### **STEP 2: Assessment**

The NJCEP-designated Direct Install contractor will conduct a free, no-obligation energy assessment and create a proposal with a list of recommended energy-saving upgrades.

#### **STEP 3: Review**

After the energy assessment, the contractor will review the results with the business owner, including specific recommended measures. The review will identify the total cost of the project and the share of the project cost that is the responsibility of the business owner.

#### **STEP 4: Installation**

Once the business owner and the Direct Install contractor agree on a scope of work and sign a contract, the contractor will handle the paperwork with NJCEP and will install the energy-saving upgrade measures. The incentive is applied as a discount on the invoice, so no need to wait for rebate payment.

#### **STEP 5: Project Close Out**

Once the Direct Install project is completed; the contractor will close out any permits with the municipality. The business accepts the work by signing a project completion form.

## **Eligibility**

NJ commercial property owners and retail tenants that occupy existing small to mid-sized commercial and industrial facilities with an average peak electric demand below 200 kW for the previous 12 months are eligible to participate in Direct Install.

Houses of worship and residential complexes billed at the commercial electrical rate (such as assisted living and affordable housing complexes) are eligible. Also, portions of residential buildings billed at the commercial rate, such as amenities and common spaces, are eligible.

NJCEP also has incentives available for residential properties at [NJCleanEnergy.com/Residential](http://NJCleanEnergy.com/Residential).

## **Retail Tenants and Property Owners**

Both retail tenants and property owners can participate in the Direct Install program. If a retail tenant wishes to have a free Direct Install energy assessment, they must have an authorization form, provided by the Direct Install contractor, signed by the commercial property owner.

Once the Direct Install scope of work proposal is available, the retail tenant and the property owner can negotiate an agreement splitting the costs not covered by the Direct Install program. Creating a fair agreement requires that the parties consider who benefits from the project in both the short and long term.

The party that receives the energy savings on their utility bills will likely pay most of the remaining cost for the upgrade measures. However, the agreement should reflect the benefits to both the property owner and the tenant. If the tenant pays the utility bills, the property owner still benefits from the upgrade measures as an increase to the overall value of the property. On the other hand, if the upgrade measures are specifically tailored to the tenant, such a refrigeration upgrades for a food service tenant, the split should reflect the benefit to the tenant.

Tenants may worry that they will pay for upgrade measures that may not be amortized (repaid by energy savings on the utility bills) by the time they vacate the space. This concern can be addressed by including a provision in the agreement that reimburses the tenant for a portion of the cost of the upgrade measures at a pre-negotiated amount. For example, the agreement may call for the costs to be divided into 33% per year. If the tenant's occupation of the space ends before three years, the landlord agrees to reimburse the tenant for the percentage remaining.

Property owners and tenants may find it more feasible to have the property owner pay the upfront costs, and have the tenant pay an agreed upon amount with the rent for a set term.

Encourage businesses not to get dissuaded from applying for the program because of the need to negotiate a fair agreement. The energy-saving upgrade measures have already been deeply discounted (up to 80%) and most projects pay for themselves in three years or less.

## Additional Incentives for Businesses

Additional incentive programs are available to businesses that can be used alone or in combination with Direct Install. Multiple programs can be used at the same time to cover different upgrade measures.

### NJCEP Incentives

NJCEP offers several incentive programs for businesses. For more information about the full array of NJCEP incentives available to businesses, including large businesses ineligible for Direct Install, visit [NJCleanEnergy.com/CI](http://NJCleanEnergy.com/CI).

NJ SmartStart Buildings® is another type of NJCEP incentive that offers rebates on individual upgrade measures and can be applied for retroactively. Businesses that have recently done equipment or lighting upgrades or have specific equipment needs may qualify for rebates. Learn more about NJ SmartStart Buildings® at: [NJCleanEnergy.com/SSB](http://NJCleanEnergy.com/SSB).

### Utility Incentives

The incentives offered by utilities can be in the form of:

- Comprehensive programs similar to Direct Install; terms will vary
- Incentives on specific equipment
- Incentives to cover portion of cost remaining after NJCEP incentives are applied
- Zero- or low-interest loans to cover costs not covered by NJCEP incentive programs
- Some utilities offer on-bill repayment, monthly loan payments are added to utility bill

### Incentives for Small and Mid-Sized Businesses

<h4 style="text-align: center;">New Jersey's Clean Energy Program™ Incentives</h4> <div style="border: 1px solid black; padding: 5px; text-align: center;"><h5 style="margin: 0;">Direct Install</h5><p style="margin: 0;">Comprehensive Scope Program pays up to 80% cost of energy-saving upgrade measures</p></div> <div style="border: 1px solid black; padding: 5px; text-align: center; margin-top: 10px;"><h5 style="margin: 0;">NJ SmartStart Buildings®</h5><p style="margin: 0;">Single-Measure and Custom Rebates Incentives available, including retroactively, for individual upgrade measures</p></div>	<h4 style="text-align: center;">Utility Incentives to Complement NJCEP Incentives</h4> <div style="border: 1px solid black; padding: 5px; text-align: center;"><h5 style="margin: 0;">Utility Incentives</h5><p style="margin: 0;">Incentives vary by utility, may include: Comprehensive scope programs, similar to Direct Install Other Rebates</p></div> <div style="border: 1px solid black; padding: 5px; text-align: center; margin-top: 10px;"><h5 style="margin: 0;">Zero- or Low-Interest Loan Option</h5><p style="margin: 0;">Pair with rebate programs, vary by utility Some utilities offer zero- or low-interest loans (some with on-bill repayment)</p></div>
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Multiple rebate programs can be used at the same time to cover different upgrade measures. SmartStart Buildings can offer incentives for eligible equipment installed in the past year as well as equipment not covered under Direct Install.

For more information about the full array of NJCEP incentives available to businesses, visit [NJCleanEnergy.com/CI](http://NJCleanEnergy.com/CI). For more information about the incentives available from each utility, contact the utility's energy efficiency program manager.

## Municipal Outreach Campaign

A municipal outreach campaign is an effective and low-cost strategy for helping businesses benefit from Direct Install. Municipal outreach campaigns encourage broader participation in the Direct Install Program by increasing awareness of available incentives.

A letter from the Mayor or senior municipal official is the most important component of the outreach campaign. The letter should be sent on municipal letterhead, signed by the municipal official, and mailed out in envelopes using municipal stationery. The NJCEP-designated Direct Install contractor will often pay for the mailing. Because the letter comes from a trusted messenger it will greatly increase awareness of the Direct Install program among local businesses.

The Sustainable Jersey [Commercial Energy Efficiency Outreach action](#) has a full description of the required components.

### Follow-up with businesses that did not move forward with Direct Install

About three months after the initial mailing, the municipal outreach team should follow up with businesses that had an energy assessment but have not moved forward with implementation of a project. Municipal outreach team members can call, email, or send a letter to businesses to ask about their progress and to find out if there are any hurdles to the business participating.

These businesses may have questions about Direct Install that are keeping them from moving forward, may need a reminder, or may have concerns about the pricing or scope of work in their proposal. Some businesses, particularly businesses that have already had lighting or HVAC upgrades done, may feel that Direct Install is not the right fit.

The Direct Install contractor will be able to provide a list of businesses to the municipality or green team that have had the Direct Install assessment but have not moved forward on a project. These businesses should be encouraged to contact the NJCEP at (866) NJ SMART/ (866) 657-6278 or [info@NJCleanEnergy.com](mailto:info@NJCleanEnergy.com) to resolve issues with their Direct Install proposals or discuss which incentives best fit the needs of the business.

## Points Awarded in Commercial Energy Efficiency Action

### Required Measures:

For the **10-point level** of the action:

- Notify Sustainable Jersey outreach campaign is beginning
- Attend training with NJCEP Outreach Team
- Send letter from mayor/council, contractor will often pay for mailing
- Implement at least one other outreach initiative, list in action

For the **20-point level** of the action:

- Document at least 2.5% of local businesses signed up for assessment
- Request list of signed applications from Direct Install contractor

## NJCEP and Utility Contacts

New Jersey's Clean Energy Program staff, as well as local utility company staff, may be available to help plan the outreach campaign as well as provide speakers at workshops and other educational events.

To discuss ideas and options for your outreach campaign, contact the NJCEP Outreach Team Manager at: [Outreach@NJCleanEnergy.com](mailto:Outreach@NJCleanEnergy.com).

<b>Atlantic City Electric</b>	<a href="http://www.atlanticcityelectric.com/WaysToSave/ForYourBusiness/Pages/default.aspx">http://www.atlanticcityelectric.com/WaysToSave/ForYourBusiness/Pages/default.aspx</a>	
<b>Elizabethtown Gas</b>	Frank Vetri	<a href="mailto:fvetri@sjindustries.com">fvetri@sjindustries.com</a>
<b>JCP&amp;L</b>	John Meehan	<a href="mailto:jjmeehan@firstenergycorp.com">jjmeehan@firstenergycorp.com</a>
<b>New Jersey Natural Gas</b>	Susan Ellman	<a href="mailto:SEllman@njng.com">SEllman@njng.com</a>
<b>PSE&amp;G</b>	James Efstathiou	<a href="mailto:James.Efstathiou@pseg.com">James.Efstathiou@pseg.com</a>
<b>Rockland Electric</b>	<a href="https://www.oru.com/en/save-money/rebates-incentives-credits/incentives-for-business-customers">https://www.oru.com/en/save-money/rebates-incentives-credits/incentives-for-business-customers</a>	
<b>South Jersey Gas</b>	Patrick McDevitt	<a href="mailto:pmcdevitt@sjindustries.com">pmcdevitt@sjindustries.com</a>

## Templates for Commercial Energy Efficiency Outreach Campaign

Below are links to templates for use in the outreach campaign, including pre-approved language for the outreach webpage as well as for letters from the municipality to businesses about the campaign. All materials in this toolkit have been pre-approved by NJCEP and may be used by municipalities and green teams. Space is provided for local program logos.

NOTE: Any other materials created for the local outreach campaign that use the NJCEP logo must be approved in advance by NJCEP. To submit documents for review send them to: [info@sustainablejersey.com](mailto:info@sustainablejersey.com).

**IMPORTANT NOTICE**

*New Jersey's Energy Efficiency Program Transition took effect on June 30, 2021. Several energy efficiency incentive programs that were offered by New Jersey's Clean Energy Program (NJCEP) are now being offered directly by New Jersey's electric and natural gas utilities.*

*While NJCEP will continue to offer some energy efficiency programs, such as Local Government Energy Audits (LGEA), Energy Saving Improvement Program (ESIP), new construction and rehab/renovation incentive programs, all of the investor-owned gas and electric utility companies will now offer energy efficiency programs such as equipment rebates and commercial retrofits directly to their customers. Please visit [www.NJCleanEnergy.com/Transition](http://www.NJCleanEnergy.com/Transition) for information and Frequently Asked Questions (FAQs), and join the [Energy Efficiency Listserv](#) for additional details and updates.*

*See the Resources Section [Commercial Energy Efficiency Outreach](#) action for a listing of current NJCEP and utility incentives. Due to these changes, this action is currently under revision. In order to receive points for this action, the municipality must contact Sustainable Jersey at 609-771-2938 or email [info@sustainablejersey.com](mailto:info@sustainablejersey.com) before starting on the outreach campaign.*

**Green teams are encouraged to use the outreach templates provided in this toolkit.**

<b>Template Documents for Commercial Energy Efficiency Outreach Campaign</b> <i>Links have been removed while documents are being updated to reflect Energy Efficiency Transition.</i>	
<b>Outreach Support Documents</b>	Best Practices for A Successful Commercial Energy Efficiency Outreach
	Memo for Municipal Employees A memo to employees that explains the outreach campaign and their role in it
	Sample Topics for Direct Install Testimonial, adapted from interview script for the Mercer County Hub Direct Install Video Project
<b>Mailing and Letter Templates</b>	Municipal Letter (required)
	Follow-Up Letter for businesses after assessment
	Short text for inclusion in existing township mailing, such as a tax or sewer bill
<b>Webpage</b>	Municipal/Green Team Webpage Template This webpage can be the centerpiece of the outreach campaign, all other materials link to this resource website
<b>Promotional Materials</b> – all text and images must be included in full; formatting can be customized	Flyer for promoting workshops
	Newsletter Insert for municipal/green team, school district, or other community newsletters
<b>Social Media</b>	Social Media

	Include the following hashtags in all social media: #NJCleanEnergyProgram #SJEnergyEfficiency
	Videos for sharing on social media <ul style="list-style-type: none"><li>• New Jersey Clean Energy Learning Center, Direct Install FAQ Video Series: <a href="http://www.njcelc.com/site-difaq-videos/">www.njcelc.com/site-difaq-videos/</a></li><li>• New Jersey Clean Energy Learning Center, Using Your Utility Bill for Program Applications: <a href="http://www.njcelc.com/utility-bill-training-video/">www.njcelc.com/utility-bill-training-video/</a></li></ul>
<b>Media Kit</b>	Press Release
	Image Gallery for use on website and other materials. Local images can also be used.