

New Jersey Policy & Incentives Highlights



Disclaimer: Not a comprehensive summary of the policies and incentives applicable in the state. Visit www.dsireusa.org or local utility websites for additional programs and details.

Definitions

Building Codes	Building Performance Standards	Incentives & Rebates
<p>Model Building Codes: National consensus-based codes like ASHRAE® Standard 90.1 and IECC</p> <p>State Building Codes: Often based on model codes, but can be unique to local market</p> <p>Stretch Building Codes: A locally mandated code or alternative compliance path that is more aggressive than base code</p>	<ul style="list-style-type: none">• (BPS) Complements building energy codes; the 2 strategies work in tandem to improve building performance• State/City laws that require existing buildings to improve energy efficiency and/or carbon emissions• Typically, includes energy efficiency, water conservation, indoor air quality and indoor environmental standards	<p>Prescriptive: includes...</p> <ul style="list-style-type: none">• Direct 1:1 replacement for commonly installed equipment• Specific dollar amounts for completing qualifying energy efficiency measures <p>Custom:</p> <ul style="list-style-type: none">• Based on energy saved over a specified baseline period• Calculated in terms of peak kW, kWh, therms or per sq ft to be saved by efficiency measure or equipment

Current Commercial Policy Trends

- New Jersey enacted statutory targets through the Global Warming Response Act (2007) to reduce greenhouse gas (GHG) emissions by 80% by 2050 ([2006 baseline](#)).
 - In 2020, New Jersey achieved its goal in reducing economy-wide GHG emissions to 1990 levels.
 - The State's Renewable Portfolio Standard support this goal while requiring 50% of energy sold within the state to be renewable by 2030.
 - In 2021, Gov. Murphy introduced an EO accelerating this goal to 100% clean energy by 2050.
- New Jersey is a member of the [Regional Greenhouse Initiative](#) (RGGI), a cap-and-trade program aimed at reducing CO2 emissions and limiting emissions allowances from the power sector. Members levy local policies and investments to support RGGI's goal of reducing emissions by 30% by 2030 ([2020 baseline](#)).
- New Jersey's current Energy Efficiency Resource Standard (EERS) also requires electric utilities reduce demand by at least 2.15% through improved efficiencies. EERS goals are often achieved through utility-led demand side management and incentive programs.
- New Jersey is a member of the [U.S. Climate Alliance](#); local policies typically support these interests.
- New Jersey's [Energy Master Plan](#) identifies zero carbon construction as a primary goal, and further states that the building sector should be 90% decarbonized/electrified by 2050. The plan also calls for:
 - increased building efficiency in existing buildings
 - adoption of more stringent appliance standards
 - electrified state facilities and an incentivized transition to heat pumps in buildings
- Through (change to "Though") the State and its cities have not banned natural gas, Gov. Murphy has announced the year 2050 as the deadline for a transition from fossil fuels. ([More info](#))

Notable Commercial Building Energy Codes (for New Construction)

- The State energy subcode is ASHRAE 90.1-2016. The state does not adhere to the commercial provisions of the IECC. ([More info](#))
- Local jurisdictions are not permitted to amend the uniform statewide codes.

Notable Commercial Building Performance Standards (BPS) & Benchmarking Policies (for Existing Facilities)

- Statewide benchmarking required for public and commercial buildings >25,000 sq ft per the Clean Energy Act of 2018. First benchmarking submissions for energy and water consumption due 10/1/2023. ([More info](#))

Available Financial Incentives and Guidance

[Direct Pay](#) | [Clean Energy](#) | [The White House](#)

The information below is provided by the State of New Jersey Board of Public Utilities. The links will help you identify and evaluate programs across the state.

Programs for Business

[Board of Public Utilities](#) | [Commercial Customers \(nj.gov\)](#)

Commercial, Industrial and Local Government Programs

Commercial Existing Buildings Programs [Commercial Existing Buildings Programs](#) | [NJ OCE Web Site \(njcleanenergy.com\)](#)

New Construction Energy Efficiency

[New Construction Energy Efficiency](#) | [NJ OCE Web Site \(njcleanenergy.com\)](#)

Commercial & Industrial Distributed Energy Resources

<https://www.njcleanenergy.com/commercial-industrial/der>

Commercial & Industrial Other

<https://www.njcleanenergy.com/commercial-industrial/other>

- School and Small Business Energy Efficiency Stimulus Program
<https://njcleanenergy.com/school-and-small-business-energy-efficiency-stimulus-program>
- Energy Saving Improvement Programs (ESIP)
<https://njcleanenergy.com/commercial-industrial/programs/energy-savings-improvement-program>
- Community Energy Plans
<https://njcleanenergy.com/commercial-industrial/programs/community-energy-plans>
- Sustainable New Jersey
<https://njcleanenergy.com/commercial-industrial/programs/direct-install/sustainable-jersey>

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