

**MEMORANDUM OF UNDERSTANDING**  
AMONG  
NORTHEAST ENERGY EFFICIENCY PARTNERSHIPS,  
THE NEW JERSEY BOARD OF PUBLIC UTILITIES,  
AND RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

**THIS MEMORANDUM OF UNDERSTANDING** (“MOU”) is made this 27th day of January 2021 by and among the **NORTHEAST ENERGY EFFICIENCY PARTNERSHIPS** (“NEEP”) and the **NEW JERSEY BOARD OF PUBLIC UTILITIES** (“BPU” or “Board”) through its Division of Clean Energy (“DCE”), and **RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY For The Center For Green Building** (“Rutgers”) (collectively, the “Parties”) setting forth the roles and responsibilities of the Parties in connection with NEEP’s New Jersey Zero Energy/Carbon Emission Buildings Collaborative (“NJ ZEB Collaborative”). NEEP is recognized as an independent 501(c)(3) non-profit by the U.S. Internal Revenue Service. The BPU and Rutgers are both instrumentalities of the State of New Jersey.

**BACKGROUND:**

WHEREAS, NEEP is a 501(c)(3) non-profit organization that conducts research and analysis, and engages and supports stakeholder collaboration and learning exchange to inform and recommend strategies and best practices to accelerate regional-scale adoption of low-carbon, energy efficient solutions for homes, buildings, industry, and communities across the Northeast and Mid-Atlantic states aligned with state energy, public health, economic development, climate stabilization, environmental, and energy justice goals;

WHEREAS, the BPU is charged with the authority to ensure that safe, adequate, and reliable utility services are provided at reasonable, non-discriminatory rates to all members of the public who desire such services and to develop and regulate a competitive, economically cost-effective energy policy that promotes responsible growth and clean renewable energy sources while maintaining a high quality of life in New Jersey;

WHEREAS, the Rutgers Center for Green Building promotes green building and healthy communities through research, education and training, and partnerships with industry, government and not-for-profit agencies; conducts applied research utilizing planned and existing green building projects; works with industry and government to promote innovative green building concepts and practices; and develops associated undergraduate, graduate and professional education programs.

WHEREAS, pursuant to the Electric Discount and Energy Competition Act of 1999, N.J.S.A. 48:3-49 et seq., the BPU created the New Jersey Clean Energy Program (“NJCEP”) to promote energy efficiency and renewable energy programs by offering financial incentives, programs, and services to New Jersey residents, business owners, and local governments.

WHEREAS, the New Jersey Global Warming Response Act of 2007 (“GWRA”) sets targets for New Jersey to reduce greenhouse gas (“GHG”) emissions by 80 percent from 2006 levels by 2050;

WHEREAS, the New Jersey Clean Energy Act of 2018 requires the BPU to adopt energy efficiency programs that require each electric and natural gas public utility to implement energy efficiency measures to reduce electricity usage by at least 2% and natural gas usage by at least 0.75%, and directs that, no later than five years after the date of enactment of P.L. 2018, c. 17 (C.48:3-87.8 et al.), the BPU shall require that the owners or operators of each commercial building over 25,000 square feet in the state to benchmark energy and water use for the prior calendar year using the United States Environmental Protection Agency’s Portfolio Manager tool;

WHEREAS, the 2019 New Jersey Energy Master Plan establishes a statewide goal of “100% clean energy by 2050” to mean 100% carbon-neutral electricity generation and maximum electrification of the transportation and building sectors to meet or exceed the GWRA emissions reduction goals by 2050 and includes among its recommendations that: 1) New Jersey’s building sector be largely decarbonized and electrified by 2050 with an early focus on new construction and the electrification of oil- and propane-fueled buildings; 2) the State electrify its state facilities, partner with private industry to establish

electrified building demonstration projects, and expand and accelerate the current statewide net zero carbon homes incentive programs for both new construction and existing homes; 3) the State study and develop mechanisms and regulations to support net zero carbon new construction, and develop EV-ready and demand response-ready building codes for new multi-unit dwellings and commercial construction; 4) the State develop a transition plan to a fully electrified building sector, including incentivizing appliances like electrified heat pumps and hot water heaters; and 5) the State strengthen building energy codes by advocating for net zero carbon buildings in new construction in the upcoming 2024 International Code Council code change hearings; establishing transparent benchmarking and energy labeling; establishing mechanisms to increase building efficiency in existing buildings; building state-funded projects and buildings to a high performance standard; improving energy efficiency in, and retrofit state buildings to, a high performance standard; and increasing compliance of mandated building and energy codes;

WHEREAS, NEEP assists states to engage key stakeholders to inform the development, adoption, and implementation of roadmaps of integrated best practice policies and programs to set and achieve zero energy/carbon emission building energy code goals with a high level of code compliance for all new construction with elements such as a) building competitive market capacities to provide zero energy homes and buildings; b) adopting and using advanced “stretch energy codes” and green zoning; c) supporting workforce development initiatives; d) engaging ratepayer funded new construction efficiency programs and local community leadership; e) conducting code compliance baseline studies and tracking code implementation via electronic permits, and site and virtual inspections; f) using building energy benchmarking and home energy rating and labeling for new as well as existing homes and buildings; and g) effective state and local participation in national processes (e.g., the International Energy Code Council) that establish model energy codes for state adoption aligned with state public policy goals;

WHEREAS, NEEP has received a grant from the Energy Foundation to convene a NJ ZEB Collaborative to inform the development of a stakeholder and technically supported NJ Net-Zero

Energy/Carbon Building Energy Code Roadmap (“NJ ZEB Roadmap”) aligned with the NJ GWRA, the Clean Energy Act of 2018, and the 2019 NJ Energy Master Plan recommendations, and related state policies and directives;

WHEREAS, Rutgers serves as a contracted advisor to the BPU regarding clean energy program evaluations and assessments, and Rutgers’ scope of work in its Fiscal Year 2021–2022 contract with the BPU includes a continuing focus on energy codes and strategic electrification, such as through co-facilitation of a code collaborative and collaborative assessment of opportunities to realize greater energy efficiency through building energy code strategies; and

WHEREAS, a stakeholder informed and technically supported NJ ZEB Roadmap addresses the 2019 Energy Master Plan call for the State to study and develop mechanisms and regulations to support net zero carbon new construction, and develop EV-ready and demand response-ready building codes for new multi-unit dwellings and commercial construction, and will provide a useful framework to focus and leverage public and private attention and resources to implement the NJ GWRA mandate to reduce GHG emissions 80% by 2050, as well as to implement the associated Energy Master Plan recommendations to aggressively reduce building sector GHG emissions and advance building electrification.

NOW, THEREFORE, in consideration of the promises and mutual representations, warranties, and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

#### I. SCOPE OF THE MOU

This MOU defines the framework and conditions under which the Parties intend to establish a cooperative relationship to the mutual benefit of the Parties and the residents of New Jersey. As detailed below, the Parties will participate in the NJ ZEB Collaborative to provide a timely and robust, stakeholder-guided, six-month process to research and develop a NJ ZEB Roadmap that provides options to build government and market capacities to effectively adopt and implement an increasingly more energy-

efficient building energy code with a high level of compliance aligned with relevant clean energy policies of the State of New Jersey, including 2019 NJ Energy Master Plan goals and recommendations. The terms and conditions included herein represent the entire scope of this agreement and supersede all former representations, whether written or verbally communicated.

## II. DUTIES OF THE PARTIES

1. NEEP will lead, plan, and manage the NJ ZEB Collaborative and NJ ZEB Roadmap development, for which NEEP will survey stakeholders and invite stakeholder participation; convene and facilitate five NJ ZEB Collaborative meetings; conduct research and analysis to inform NJ ZEB Roadmap content and potential paths forward; lead NJ ZEB Roadmap drafting guided by research, as well as BPU, Rutgers, and stakeholder input and comment; and coordinate NJ ZEB Roadmap dissemination, including at least one general public presentation.
2. BPU will advise the NJ ZEB Collaborative, serve as a liaison to inform and engage other affected state agencies, attend and contribute to NJ ZEB Collaborative meetings, and inform NJ ZEB Roadmap development and dissemination to align with relevant state policies and the 2019 NJ Energy Master Plan.
3. Rutgers will assist NEEP to plan and convene the NJ ZEB Collaborative, assist the stakeholder survey and engagement, attend and contribute to NJ ZEB Collaborative meetings, and provide expertise and technical assistance for NJ ZEB Roadmap research, development, and dissemination.
4. The Parties will engage representation from key stakeholders groups (e.g., state and local government, the building design and construction industry, code enforcement professionals, building managers and operators, business and consumer groups, public health and environmental groups, gas and electric utilities) and others identified through stakeholder outreach.

### III. DESIGNATED REPRESENTATIVES

Written communication among the Parties for the purpose of this MOU as defined above shall be delivered to the following representatives:

New Jersey Board of Public Utilities  
Attn: Division of Clean Energy Director  
44 S. Clinton Avenue, 9<sup>th</sup> Floor  
Trenton, NJ 08625

Northeast Energy Efficiency Partnerships  
Attn: Executive Director  
81 Hartwell Avenue, Suite 220  
Lexington, MA 02421

Rutgers, The State University of New Jersey  
33 Knightsbridge Road  
Second Floor, East Wing  
Piscataway, NJ 08854

With a copy to:

Rutgers Center for Green Buildings  
Attn: Executive Director  
Edward J. Bloustein School of Planning & Public Policy  
Rutgers, The State University of New Jersey  
33 Livingston Ave #158  
New Brunswick, NJ 08901

### IV. MISCELLANEOUS

A. Subject to the Availability of Funds. All obligations of the Parties pursuant to this MOU are subject to appropriations and the availability of funds. A failure by the Parties to perform any condition on its part to be performed under this MOU as a result of the failure of the Legislature to appropriate funds or funds to be granted by the Energy Foundation shall not in any manner constitute a breach or default by the Parties.

B. No Personal Liability. No official or employee of BPU shall be charged personally by NEEP or Rutgers, its employees, agents, contractors, or subcontractors with any liability or held liable to NEEP or Rutgers, its employees, agents, contractors, or subcontractors under any term or provision of this

MOU or because of its execution or attempted execution or because of any breach or attempted or alleged breach of this MOU.

No official or employee of NEEP or Rutgers shall be charged personally by BPU, its employees, agents, contractors, or subcontractors with any liability or held liable to BPU, its employees, agents, contractors, or subcontractors under any term or provision of this MOU or because of its execution or attempted execution or because of any breach or attempted or alleged breach of this MOU.

C. Captions. The captions appearing in this MOU are inserted and included solely for convenience and shall not be considered or given effect in construing this MOU, or its provisions, in connection with the duties, obligations, or liabilities of the Parties or in ascertaining intent, if a question of intent arises. The preambles are incorporated into this paragraph as though set forth in verbatim.

D. Entirety of Agreement. This MOU represents the entire and integrated agreement between the Parties and supersedes any and all prior agreements or understandings (whether or not in writing). No modification or termination hereof shall be effective unless in writing and approved as required by law.

E. Amendments. This MOU may be amended or extended by the written request of any Party and with the consent of the other Parties as needed for the success of the NJ ZEB Collaborative. Any proposed amendment of this MOU shall be submitted by one Party to the other Parties at least five (5) business days prior to formal discussion or negotiation of the issue. Any amendment of this MOU shall be set forth in writing and signed by an authorized representative of each Party in order to become effective.

F. No Third-Party Beneficiaries. This MOU does not create in any individual or entity the status of third-party beneficiary, and this MOU shall not be construed to create such status. The rights, duties, and obligations contained in this MOU shall operate only among the Parties and shall inure solely to the benefit of the Parties. The provisions of this MOU are intended only to assist the Parties in determining and performing their obligations under this MOU. The Parties intend and expressly agree

that only the Parties shall have any legal or equitable right to seek to enforce this MOU, to seek any remedy arising out of a Party's performance or failure to perform any term or condition of this MOU, or to bring any action for breach of this MOU.

G. No Assignment. This MOU shall not be assignable, but shall bind and inure to the benefit of the Parties hereto and their respective successors.

H. Governing Law. This MOU and the rights and obligations of the Parties shall be interpreted, construed, and enforced in accordance with the laws of the State of New Jersey. This MOU shall be subject to all the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. Any claims asserted against the State in connection with this MOU shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. It is acknowledged by all Parties that the Parties are covered by the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq. and the New Jersey Tort Claims Fund.

I. Authority. By execution of this MOU, the Parties represent that they are duly authorized and empowered to enter into this MOU and to perform all duties and responsibilities established in this MOU.

J. Term. This MOU shall be effective as of the date hereinabove written and, unless terminated as set forth below, shall remain in effect for a term of one (1) year.

K. Termination. Board Staff and DCE Staff may terminate this MOU upon thirty (30) days' written notice.

L. Counterparts. This MOU may be executed in duplicate parts, each of which shall be an original, but all of which shall together constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS THEREOF, the Parties have signed this Memorandum of Understanding on the date first written above.

Witness:

Northeast Energy Efficiency Partnerships

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By: Susan E. Coakley  
Susan E. Coakley, Executive Director

Dated: February 1, 2021

Witness:

Rutgers, The State University of New Jersey for the Center

for Green Building  
By: Chrissa Papaioannou, PE, CRA  
Digitally signed by Chrissa Papaioannou, PE, CRA  
Date: 2021.02.02 09:34:30 -05'00'

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Chrissa Papaioannou, Assistant Director, RSP  
BB-DR14388

Dated: 02/02/2021

Witness:

New Jersey Board of Public Utilities

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By: Joseph L. Fiordaliso  
Joseph L. Fiordaliso, President

Dated: January 27, 2021

APPROVED AS TO FORM:

Gurbir S. Grewal

Attorney General, State of New Jersey

By: Michael Beck

Michael Beck  
Deputy Attorney General

Dated: 02-02-2021