



Agenda Date: 9/28/22
Agenda Item: 2E

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF ROCKLAND)	DECISION AND ORDER
ELECTRIC COMPANY’S ANNUAL CONSERVATION)	APPROVING STIPULATION
INCENTIVE PROGRAM FILING – RECONCILIATION)	FOR PROVISIONAL RATES
FOR THE PERIOD JULY 1, 2021 – JUNE 30, 2022)	
)	DOCKET NO. EO22070469

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Margaret Comes, Esq., Rockland Electric Company

BY THE BOARD:

On July 29, 2022, Rockland Electric Company (“RECO” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking an adjustment to its Conservation Incentive Program (“CIP”) rate, based upon an initial deferral period of July 1, 2021 through June 30, 2022, for a rate adjustment sought to be effective for service rendered on and after October 1, 2022 (“July 2022 Petition”). By this Decision and Order, the Board considers a provisional stipulation of settlement (“Stipulation”) executed by RECO, Board Staff (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties”) intended to implement the Company’s CIP rates on a provisional basis.

BACKGROUND

On January 13, 2008, L. 2008, c. 340 (“RGGI Act”) was signed into law based upon the New Jersey Legislature’s finding that energy efficiency (“EE”) and conservation measures are essential elements of the State’s energy future, and that greater reliance on EE and conservation will provide significant benefits to the citizens of New Jersey. The Legislature also found that “public utility involvement and competition in the renewable energy, conservation and [EE] industries are essential to maximize efficiencies” See N.J.S.A. 26:2C-45. Pursuant to Section 13 of the RGGI Act, codified at N.J.S.A. 48:3-98.1(a)(1), “an electric public utility or a gas public utility may provide and invest in [EE] and conservation programs in its respective service territory on a regulated basis” Upon petition, such investment in EE and conservation programs “may be eligible for rate treatment approved by the [B]oard, including a return on equity, or other incentives or rate mechanisms that decouple utility revenue from sales of electricity and gas.” See N.J.S.A. 48:3-98.1(b). Pursuant to N.J.S.A. 48:3-98.1(b), “[r]atemaking treatment may include placing appropriate technology and program cost investments in the respective utility’s rate base, or recovering the utility’s technology and program costs through another ratemaking

methodology approved by the [B]oard, including, but not limited to, the societal benefits charge established pursuant to section 12 of L. 1999, c. 23.¹ An electric or gas utility seeking cost recovery for any EE and conservation programs pursuant to N.J.S.A. 48:3-98.1 must file a petition with the Board.

In May 2018, Governor Murphy ordered the preparation of an Energy Master Plan (“EMP”) to chart a path for New Jersey to convert its energy production profile to 100% clean energy sources by January 1, 2050.² The Board released a draft of the EMP in June 2019, and the final EMP in January 2020.

Also in May 2018, Governor Murphy signed into law the Clean Energy Act, L. 2018 c. 17 (“CEA”), setting ambitious goals to advance EE in New Jersey. In the two (2) years following the passage of the CEA, the Board, Staff, Rate Counsel, electric and natural gas public utility companies, and a broad range of stakeholders worked diligently and collaboratively to review and consider options and best practices on a myriad of topics related to EE.³

By Order dated June 10, 2020, the Board approved an EE transition framework for EE programs implemented pursuant to the CEA, including requirements for the utilities to establish programs that reduce the use of electricity and natural gas within their territories.⁴ In the June 2020 Order, the Board directed New Jersey’s electric and gas companies to file petitions by September 2020 for approval of three-year EE programs by the Board by May 1, 2021 to be implemented beginning July 1, 2021.

By Order dated June 9, 2021, the Board approved implementation of a modified CIP to account for lost sales revenue resulting from the potential decrease in customer energy usage and that RECO would implement initiatives to further customer conservation efforts. The parties agreed that the Company would submit its first CIP cost recovery filing on or before July 31, 2022, for rates effective October 1, 2022, based on an initial deferral period of July 1, 2021 through June 30, 2022 with annual filings required for further adjustments to the CIP rate.⁵

¹ N.J.S.A. 48:3-60.

² See Exec. Order No. 28 (May 23, 2018).

³ New Jersey’s electric and gas public utilities include Atlantic City Electric Company (“ACE”), Butler Power and Light Company, Elizabethtown Gas Company, Jersey Central Power & Light Company, New Jersey Natural Gas Company, Public Service Electric & Gas, RECO, and South Jersey Gas Company. The subject matter included details of program design and administration, application of utility targets, filing requirements, cost recovery mechanisms, performance incentives and penalties, evaluation, measurement, and verification, tracking and reporting requirements, a triennial review process, and ongoing stakeholder working groups.

⁴ In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket Nos. QO19010040, QO19060748, and QO17091004, Order dated June 10, 2020 (“June 2020 Order”).

⁵ In re the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket Nos. QO19010040 and EO20090623, Order dated June 9, 2021 (“June 2021 Order”).

JULY 2022 PETITION

On July 29, 2022, RECO filed the July 2022 Petition with the Board seeking adjustments to its CIP rates based upon an initial deferral period of July 1, 2021 through June 30, 2022 for an adjustment sought to be effective for service rendered on and after October 1, 2022. The Company proposed a rate adjustment related to changes in the average revenue per customer when compared to a baseline revenue per customer, incenting the Company to encourage customers to conserve energy. Based upon the proposed changes, RECO would recover a net CIP amount of \$805,422.

After publication of notice in the Company's service territory, and posting on the Board's website, virtual public hearings were held on September 12, 2022 at 4:30 p.m. and 5:30 p.m.⁶ No members of the public appeared at either of the hearings, and the Board received no written comments.⁷

STIPULATION

1. The Company's July 2022 Petition requires additional review by the Parties. Based upon the data in the July 2022 Petition, the implementation of a provisional CIP Adjustment is appropriate at this time. The CIP Adjustment proposed in the Stipulation will be subject to refund with interest in order to allow further discovery, a prudence review, and an opportunity for an evidentiary hearing, if necessary.
2. The Parties provisionally agree that, as set out in Appendix A of the Stipulation, the customer group specific interim CIP Adjustment is as follows:

Customer Group	SCs	(Over)/Under Recovery	Rate (Excl SUT) ¢/kWh	Rate (Inc SUT) ¢/kWh
A	1 and 3	(\$182,604)	(0.027)	(0.029)
B	2- Secondary	\$918,630	0.187	0.199
C	2- Primary	\$69,395	0.120	0.128

3. As a result of the interim CIP Adjustments, the statewide average residential customer using 808 kWh per summer month, and 7,800 kWh on an annual basis, would see a decrease of \$2.04 in their annual bill from \$1,278.00 to \$1,275.96, or approximately 0.2%. Commercial customers would see increases in their bills. The percentage change applicable to specific customers will vary according to the applicable service classification and the level of the customer's usage.
4. Should the Board approve the Stipulation, RECO shall file the revised tariff leaves set forth in Attachment B of the Stipulation, within 10 business days of the effective date of the Board's Order conforming to the agreed upon rates and terms set forth in the Stipulation or on such other schedule as the Board shall determine.

⁶ The hearings were held virtually due to the COVID-19 pandemic.

⁷ Original Public Hearing Notice was published under BPU Docket No. ER22070469.

DISCUSSIONS AND FINDINGS

The Board carefully reviewed the record to date in this proceeding, including, but not limited to, the July 2022 Petition and the attached Stipulation. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the attached Stipulation in its entirety and **HEREBY INCORPORATES** its terms and conditions as if fully set forth herein, subject to any terms and conditions set forth in this Order.

The Board **HEREBY APPROVES** the rate adjustments in Attachment B of the Stipulation. As a result of the Stipulation, the statewide average residential customer using 808 kWh per summer month, and 7,800 kWh on an annual basis will see a decrease in their annual bill of \$2.04, or approximately 0.20%, including Sales and Use Tax.

The Board **HEREBY DIRECTS** RECO to file revised tariff sheets conforming to the terms of the Order by September 30, 2022 for rates effective October 1, 2022.

The effective date of this Order is September 28, 2022.

DATED: September 28, 2022

BOARD OF PUBLIC UTILITIES
BY:

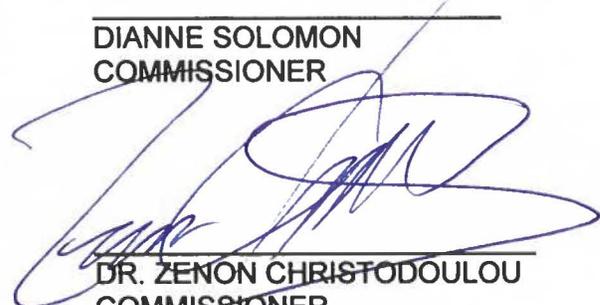


JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER

DIANNE SOLOMON
COMMISSIONER

ROBERT M. GORDON
COMMISSIONER

DR. ZENON CHRISTODOULOU
COMMISSIONER

ATTEST:



ROBERT M. GORDON
COMMISSIONER

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF ROCKLAND ELECTRIC COMPANY'S ANNUAL CONSERVATION
INCENTIVE PROGRAM FILING – RECONCILIATION FOR THE PERIOD JULY 1, 2021 – JUNE 30, 2022

DOCKET NO. EO22070469

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STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

In the Matter of the Rockland Electric Company’s Annual Conservation Incentive Program – Reconciliation for the Period July 1, 2021 – June 30, 2022

STIPULATION FOR PROVISIONAL RATES

BPU Docket No. EO22070469

Margaret Comes, Esq., Associate Counsel, for Petitioner Rockland Electric Company

Maura Caroselli, Esq., Managing Attorney – Gas, Sarah H. Steindel, Assistant Deputy Rate Counsel and Megan Lupo, Esq., Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (Brian O. Lipman., Director)

Steven Chaplar, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Matthew J. Platkin, Acting Attorney General of New Jersey)

TO: THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES

THIS STIPULATION FOR PROVISIONAL RATES (“Provisional Stipulation”) is made as of September , 2022, by and among Rockland Electric Company (“Rockland” or “Company”), Staff of the New Jersey Board of Public Utilities (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively referred to herein as the “Parties”).

PROCEDURAL HISTORY

On September 25, 2020, RECO filed a verified petition proposing a portfolio of Energy Efficiency (“EE”) and Peak Demand Reduction (“PDR”) programs targeted at the Company’s residential, commercial and industrial (“C&I”), and multi-family customer sectors at a cost of approximately \$18,009,216 over the three-year implementation period beginning July 1, 2021 through June 30, 2024 (“EE Program”) (“September 2020 Petition”).

The September 2020 Petition further requested the approval of a cost recovery mechanism wherein RECO would create a regulatory asset to capture the incremental capital investment costs related to the EE Program, and to implement a Clean Energy Act (“CEA”) Surcharge component to its Societal Benefits Charge (“SBC”). As proposed, the CEA Surcharge would be set annually based upon budgeted and actual expenditures through annual filings, subject to the approval of the New Jersey Board of Public Utilities (“Board”). The revenue requirement recovered through the SBC would recover the annual depreciation and amortization of capital investments, plus return on investment, and annual operations and maintenance (“O&M”) expenses, as well as any prior period over/under recovered amounts in subsequent true-ups.

RECO also sought the Board’s approval of a modified electric Conservation Incentive Program (“CIP”) calculation methodology to recover a portion of the Company’s revenues that may be lost as a result of the successful implementation of the EE Program and the related decrease in energy sales. On May 28, 2021, the Parties entered into a Stipulation of Settlement (“May 2021 Stipulation”), which was approved by the Board on June 9, 2021.¹ In the May 2021 Stipulation, the Parties agreed that RECO may implement a modified CIP to account for lost sales revenue resulting from the potential decrease in customer energy usage.² The Company agreed to submit its first CIP cost recovery filing on or before July 31, 2022, with rates proposed

¹ Order Adopting Stipulation, *In the Matter of the Petition of Rockland Electric Company for Approval of Its Energy Efficiency and Peak Demand Reduction Programs*, BPU Docket No. EO20090623 (June 9, 2021).

² The May 2021 Stipulation also provided that EE Program costs be subject to recovery through rates pursuant to the terms of the CEA Surcharge component in the Company’s Regional Greenhouse Gas Initiative Surcharge instead of a component of the SBC. May 2021 Stipulation at par. 23.

to be effective October 1, 2022, based on an initial deferral period of July 1, 2021 through June 30, 2022.

Pursuant to the May 2021 Stipulation, on July 29, 2022, RECO filed a petition to establish the Company's CIP Adjustments applicable for the 12-month period commencing October 1, 2022 ("Filing").

According to the Filing, the monthly target distribution revenue is determined through use of group specific baseline revenue per customer ("RPC") targets. The RPC targets are calculated by taking the monthly distribution revenue from the priced-out billing determinants approved in the Company's most recent base rate filing and dividing such monthly distribution revenue by the number of customers in the group for each month. As such, the Filing included revised RPC targets based on the Company's most recent base rate filing which was approved pursuant to Order dated December 15, 2021 in Docket No. ER21050823. According to the Filing, the revised CIP RPC targets were applicable commencing January 1, 2022.³

The Filing also included an Appendix A, a copy of which is attached to this Provisional Stipulation and sets forth the Company's calculation of the CIP Adjustment for the reconciliation period of July 1, 2021 through June 30, 2022. The Filing also states that the Company has passed the Earnings Test allowing for the class-specific CIP Adjustments. The Filing also stated that the Company's net distribution revenue shortfall for this 12-month period was \$805,422, including interest. The Filing further stated that the Company determined the following customer group specific CIP Adjustments that would be effective for the period October 1, 2022 through September 30, 2023:

³ The class-specific monthly targets used in the calculation of the (over)/under recovery for the period July 1, 2021 through December 31, 2021 were the targets approved in the May 2021 Stipulation.

Customer Group	SCs	(Over)/Under Recovery	Rate (Excl SUT) ¢/kWh	Rate (Inc SUT) ¢/kWh
A	1 and 3	(\$182,604)	(0.027)	(0.029)
B	2 – Secondary	\$918,630	0.187	0.199
C	2 -Primary	\$69,395	0.120	0.128

A public hearing on the Filing was held on September 12, 2022. No members of the public attended.

STIPULATION

- The Company's Filing requires additional review by the Parties. Based upon the data in the Filing, the implementation of a provisional CIP Adjustment is appropriate at this time. The CIP Adjustment proposed herein will be subject to refund with interest in order to allow further discovery, a prudence review, and an opportunity for an evidentiary hearing, if necessary.
- The Parties provisionally agree that, as set out in Appendix A to this Provisional Stipulation, the customer group specific interim CIP Adjustment is as follows:

Customer Group	SCs	(Over)/Under Recovery	Rate (Excl SUT) ¢/kWh	Rate (Inc SUT) ¢/kWh
A	1 and 3	(\$182,604)	(0.027)	(0.029)
B	2 – Secondary	\$918,630	0.187	0.199
C	2 -Primary	\$69,395	0.120	0.128

- As a result of the interim CIP Adjustments, the statewide average residential customer using 808 kWh per summer month, and 7,800 kWh on an annual basis, would see a decrease of \$2.04 in their annual bill from \$1,278.00 to \$1,275.96, or approximately 0.2%. Commercial customers would see increases in their bills. The percentage change applicable to specific customers will vary according to the applicable service classification and the level of the customer's usage.

4. Should the Board approve this Provisional Stipulation, RECO shall file the revised tariff leaves set forth in Attachment B hereto, within ten 10 business days of the effective date of the Board's Order conforming to the agreed upon rates and terms set forth in this Provisional Stipulation or on such other schedule as the Board shall determine.

5. The revised tariff leaves shall become effective on the first day of the month following the service of a Board Order approving this Provisional Stipulation in accordance with N.J.S.A. 48:2-40 ("Effective Date").

6. This Provisional Stipulation represents a negotiated compromise resolution that has been made exclusively for the purpose of the above-referenced proceedings. The Parties agree that this Provisional Stipulation contains mutual balancing and interdependent clauses and is intended to be accepted and approved in its entirety. In the event any particular provision of this Provisional Stipulation is not accepted and approved in its entirety by the Board, or is modified by a court of competent jurisdiction, then any Party aggrieved thereby shall not be bound to proceed with this Provisional Stipulation and shall have the right, upon written notice to be provided to all other Parties within 10 days after receipt of any such adverse decision, to litigate all issues addressed herein to a conclusion. More particularly, in the event this Provisional Stipulation is not adopted in its entirety by the Board in an appropriate Order, or is modified by a court of competent jurisdiction, then any Party hereto is free, upon the timely provision of such written notice, to pursue its then available legal remedies with respect to all issues addressed in this Provisional Stipulation, as though this Provisional Stipulation had not been signed. The Parties agree that this Provisional Stipulation shall be binding on them for all purposes herein.

7. By executing this Provisional Stipulation, no Party waives any rights it possesses under any prior Stipulation, except where the terms of this Provisional Stipulation supersede such prior

Stipulation. The contents of this Provisional Stipulation shall not be considered, cited, or used by any of the undersigned Parties as an indication of any Party's position on any related or other issue litigated in any other proceeding or forum, except to enforce the terms of this Provisional Stipulation.

8. This Provisional Stipulation may be executed in any number of counterparts, each of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties.

WHEREFORE, the Parties hereto have duly executed and do respectfully submit this Provisional Stipulation to the Board, and recommend that the Board issue a Final Decision and Order adopting and approving this Provisional Stipulation in its entirety in accordance with the terms hereof.

ROCKLAND ELECTRIC COMPANY

By Margaret Comes
Margaret Comes, Esq.

MATTHEW J. PLATKIN
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By: Steven Chaplar
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STATE OF NEW JERSEY, DIVISION OF RATE COUNSEL
BRIAN LIPMAN
DIRECTOR, DIVISION OF RATE COUNSEL

By Sarah H. Steindel
Sarah H. Steindel
Asst. Deputy Rate Counsel

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022**

Determination of Surcharge/Credit

		<u>SC Nos. 1, 3, and 5 (1)</u>	<u>SC No. 2 Secondary</u>	<u>SC No. 2 Primary</u>
Earnings Test - Pass or Fail			Pass	
Current Period (Over)/Under-Collection	(1)	(\$182,604)	\$918,630	\$69,395
Prior Period (Over) / Under-Collection	(2)	0	0	0
Amount to be Deferred for Future Disposition	(3)	<u>0</u>	<u>0</u>	<u>0</u>
	(4) =			
Total Period (Over)/Under Collection Target	(1) + (2) - (3)	(\$182,604)	\$918,630	\$69,395
Forecasted Sales	(5)	676,336,000	491,109,000	57,890,000
	(6) =			
Rate (\$/kWh), excluding SUT	(4) / (5)	(0.00027)	0.00187	0.00120
SUT	(7)	1.06625	1.06625	1.06625
	(8) =			
Rate (\$/kWh), including SUT	(6) * (7)	(0.00029)	0.00199	0.00128

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022**

Revenue Per Customer Factor - SC Nos. 1, 3, and 5 (Residential) Excluding SUT (1)

<u>Month</u>	<u>Distribution Revenue (2)</u>	<u># of Customers</u>	<u>RPC Factor \$ / Customer</u>
July	\$5,031,778	64,224	78.35
August	5,072,760	64,296	78.90
September	4,226,012	64,307	65.72
October	2,868,715	64,050	44.79
November	2,758,604	64,119	43.02
December	3,078,793	64,127	48.01
January	3,904,149	64,903	60.15
February	3,542,915	64,769	54.70
March	3,052,896	61,803	49.40
April	3,032,073	64,643	46.90
May	3,130,113	64,550	48.49
June	4,611,800	64,548	71.45

Notes:

- (1) Effective January 1, 2022, SC No. 5 was closed and all customers were moved to SC No. 1
- (2) Distribution Revenue for Jul-21 thru Dec-21 is calculated based on billing determinants that were approved in the Company's base rate proceeding, BPU Docket No. ER19050552. Distribution Revenue for Jan-22 thru Jun-22 is calculated based on billing determinants that were approved in the Company's base rate proceeding, BPU Docket No. ER21058023.

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022**

Revenue Per Customer Factor - SC No. 2 (Secondary) Excluding SUT

<u>Month</u>	Distribution <u>Revenue (1)</u>	<u># of Customers</u>	RPC Factor <u>\$ / Customer</u>
July	\$2,238,237	8,618	259.72
August	2,592,913	8,620	300.80
September	2,194,831	8,611	254.89
October	1,812,651	8,605	210.65
November	1,987,301	8,624	230.44
December	2,090,465	8,631	242.20
January	2,372,733	8,709	272.45
February	2,029,588	8,705	233.15
March	1,611,877	8,240	195.62
April	2,138,182	9,221	231.88
May	1,963,006	8,729	224.88
June	2,338,145	8,628	271.00

Notes:

- (1) Distribution Revenue for Jul-21 thru Dec-21 is calculated based on billing determinants that were approved in the Company's base rate proceeding, BPU Docket No. ER19050552. Distribution Revenue for Jan-22 thru Jun-22 is calculated based on billing determinants that were approved in the Company's base rate proceeding, BPU Docket No. ER21058023.

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022**

Revenue Per Customer Factor - SC No. 2 (Primary) Excluding SUT

<u>Month</u>	<u>Distribution Revenue (1)</u>	<u># of Customers</u>	<u>RPC Factor \$/ Customer</u>
July	\$220,036	78	2,820.97
August	225,922	78	2,896.44
September	165,166	77	2,145.01
October	246,633	76	3,245.17
November	260,107	76	3,422.46
December	233,407	76	3,071.14
January	218,891	80	2,736.14
February	209,591	80	2,619.89
March	213,018	78	2,731.00
April	216,573	94	2,303.97
May	217,328	81	2,683.06
June	258,124	80	3,226.55

Notes:

- (1) Distribution Revenue for Jul-21 thru Dec-21 is calculated based on billing determinants that were approved in the Company's base rate proceeding, BPU Docket No. ER19050552. Distribution Revenue for Jan-22 thru Jun-22 is calculated based on billing determinants that were approved in the Company's base rate proceeding, BPU Docket No. ER21058023.

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022**

Actual Annual Distribution Revenue (\$) Excluding SUT

	Revenue for 12 ME June 30, 2022
SC Nos. 1, 3, and 5	\$44,895,192
SC No. 2 Secondary	24,486,835
SC No. 2 Primary	<u>2,566,200</u>
Total	\$71,948,227

Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022

Revenue Per Customer - SC Nos. 1, 3, and 5 (Residential) Excluding SUT (1)

<u>Month</u>	<u>Actual Dist Revenue</u> (a)	<u>Actual Customer Count</u> (b)	<u>Actual Avg Revenue / Customer</u> (c) = (a)/(b)	<u>RPC Factor \$ / Customer (2)</u> (d)	<u>Difference</u> (e) = (d) - (c)	<u>Margin Variance (Over)/Under</u> (f) = (e)*(b)	<u>Net Margin Var. (Over)/Under</u>	<u>Interest Rate</u>	<u>Interest Net of Tax (3)</u>	<u>Margin Var. (Over)/Under with Interest</u>
Beg. Balance										
Jul-21	\$5,563,665	64,620	\$86.10	\$78.35	(\$7.75)	(\$500,805)	(\$500,805)	0.85%	(\$255)	(\$501,060)
Aug-21	5,358,656	64,676	82.85	78.90	(3.95)	(255,470)	(756,275)	0.77%	(290)	(255,760)
Sep-21	5,091,985	64,685	78.72	65.72	(13.00)	(840,905)	(1,597,180)	0.80%	(564)	(841,469)
Oct-21	3,291,524	64,689	50.88	44.79	(6.09)	(393,956)	(1,991,136)	0.87%	(935)	(394,891)
Nov-21	2,616,459	64,824	40.36	43.02	2.66	172,432	(1,818,704)	1.10%	(1,255)	171,177
Dec-21	3,058,905	64,841	47.18	48.01	0.83	53,818	(1,764,886)	1.16%	(1,245)	52,573
Jan-22	3,575,595	64,887	55.10	60.15	5.05	327,679	(1,437,207)	1.38%	(1,324)	326,356
Feb-22	3,450,498	64,906	53.16	54.70	1.54	99,955	(1,337,252)	1.78%	(1,479)	98,476
Mar-22	3,065,906	64,916	47.23	49.40	2.17	140,868	(1,196,384)	1.91%	(1,450)	139,418
Apr-22	2,820,957	64,931	43.45	46.90	3.45	224,012	(972,372)	3.04%	(1,975)	222,037
May-22	2,813,062	65,067	43.23	48.49	5.26	342,252	(630,120)	3.33%	(1,598)	340,654
Jun-22	<u>4,187,980</u>	65,066	64.37	71.45	7.08	<u>460,667</u>	(169,452)	3.26%	<u>(781)</u>	<u>459,886</u>
	\$44,895,192					(\$169,452)			(\$13,151)	(\$182,604)

Notes:

(1) Effective January 1, 2022, SC No. 5 was closed and all customers were moved to SC No. 1

(2) Calculated on Appendix A, Page 1

(3) Fed & State Income Tax Rate

Federal Income Tax Rate (Effective 1/1/2018)	21.00%
State Income Tax Rate	9.00%
Income Tax Gross Up Factor = $1 / [(1 - 0.21) * (1 - 0.0900)]$	28.11%
Net of Tax	71.89%

Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022

Revenue Per Customer - SC No. 2 (Secondary) Excluding SUT

Month	Actual Revenue (a)	Actual Customer Count (b)	Actual Avg Revenue / Customer (c) = (a)/(b)	RPC Factor \$/ Customer (1) (d)	Difference (e) = (d) - (c)	Margin Variance (Over)/Under (f) = (e) *(b)	Net Margin Var. (Over)/Under	Interest Rate	Interest Net of Tax (2)	Margin Var. (Over)/Under with Interest
Jul-21	\$2,229,950	8,664	\$257.38	\$259.72	\$2.34	\$20,274	\$20,274	0.85%	\$10	\$20,284
Aug-21	2,280,789	8,658	263.43	300.80	37.37	323,549	343,823	0.77%	84	323,633
Sep-21	2,273,491	8,670	262.23	254.89	(7.34)	(63,638)	280,185	0.80%	150	(63,488)
Oct-21	1,972,612	8,677	227.34	210.65	(16.69)	(144,819)	135,366	0.87%	108	(144,711)
Nov-21	1,669,573	8,682	192.30	230.44	38.14	331,131	466,498	1.10%	198	331,330
Dec-21	1,892,675	8,685	217.92	242.20	24.28	210,872	677,370	1.16%	397	211,269
Jan-22	1,974,267	8,675	227.58	272.45	44.87	389,247	1,066,617	1.38%	721	389,968
Feb-22	2,169,946	8,676	250.11	233.15	(16.96)	(147,145)	919,472	1.78%	1,059	(146,086)
Mar-22	2,051,256	8,672	236.54	195.62	(40.92)	(354,858)	564,614	1.91%	849	(354,009)
Apr-22	1,935,581	8,663	223.43	231.88	8.45	73,202	637,816	3.04%	1,095	74,297
May-22	1,883,950	8,687	216.87	224.88	8.01	69,583	707,399	3.33%	1,342	70,925
Jun-22	<u>2,152,747</u>	8,695	247.58	271.00	23.42	<u>203,637</u>	911,036	3.26%	<u>1,580</u>	<u>205,217</u>
	\$24,486,835					\$911,036			\$7,594	\$918,630

Notes:

(1) Calculated on Appendix A, Page 2

(2) Fed & State Income Tax Rate

Federal Income Tax Rate (Effective 1/1/2018)	21.00%
State Income Tax Rate	9.00%
Income Tax Gross Up Factor = 1 / [(1 - 0.21) * (1 - 0.0900)]	28.11%
Net of Tax	71.89%

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022**

Revenue Per Customer - SC No. 2 (Primary) Excluding SUT

<u>Month</u>	<u>Actual Revenue</u> (a)	<u>Actual Customer Count</u> (b)	<u>Actual Avg Revenue / Customer</u> (c) = (a)/(b)	<u>RPC Factor \$ / Customer (1)</u> (d)	<u>Difference</u> (e) = (d) - (c)	<u>Margin Variance (Over)/Under</u> (f) = (e) *(b)	<u>Net Margin Var. (Over)/Under</u>	<u>Interest Rate</u>	<u>Interest Net of Tax (2)</u>	<u>Margin Var. (Over)/Under with Interest</u>
Jul-21	\$242,305	79	\$3,067.16	\$2,820.97	(\$246.19)	(\$19,449)	(\$19,449)	0.85%	(\$10)	(\$19,459)
Aug-21	225,631	79	2,856.08	2,896.44	40.36	3,188	(16,261)	0.77%	(8)	3,180
Sep-21	245,528	79	3,107.95	2,145.01	(962.94)	(76,072)	(92,333)	0.80%	(26)	(76,098)
Oct-21	240,409	79	3,043.15	3,245.17	202.02	15,960	(76,373)	0.87%	(44)	15,916
Nov-21	187,171	79	2,369.25	3,422.46	1,053.21	83,204	6,830	1.10%	(23)	83,181
Dec-21	186,881	79	2,365.58	3,071.14	705.56	55,739	62,570	1.16%	24	55,763
Jan-22	187,398	77	2,433.74	2,736.14	302.40	23,285	85,854	1.38%	61	23,346
Feb-22	207,657	77	2,696.85	2,619.89	(76.96)	(5,926)	79,928	1.78%	88	(5,838)
Mar-22	198,074	76	2,606.24	2,731.00	124.76	9,482	89,410	1.91%	97	9,579
Apr-22	207,030	75	2,760.40	2,303.97	(456.43)	(34,232)	55,178	3.04%	132	(34,101)
May-22	208,240	77	2,704.41	2,683.06	(21.35)	(1,644)	53,534	3.33%	108	(1,536)
Jun-22	<u>229,876</u>	76	3,024.68	3,226.55	201.87	<u>15,342</u>	68,876	3.26%	<u>120</u>	<u>15,462</u>
	\$2,566,200					\$68,876			\$519	\$69,395

Notes:

(1) Calculated on Appendix A, Page 3

(2) Fed & State Income Tax Rate

Federal Income Tax Rate (Effective 1/1/2018)	21.00%
State Income Tax Rate	9.00%
Income Tax Gross Up Factor = 1 / ((1 - 0.21) * (1 - 0.0900))	28.11%
Net of Tax	71.89%

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022
Recovery Tests**

Determine Weather and Non-Weather CIP Impacts

	<u>Weather</u>	<u>Non-Weather</u>	<u>Total</u>
SC Nos. 1, 3, and 5	\$506,981	(\$689,584)	(\$182,604)
SC No. 2 Secondary	(18,518)	937,148	918,630
SC No. 2 Primary	(1,399)	70,794	69,395
Total Deficiency/(Credit)	\$487,064	\$318,357	\$805,422

Step 2: Apply Modified BGSS Savings Test

A. Non-weather Impact Subject to Modified BGS Savings Test

Non-Weather Impact	\$318,357
75% Factor	<u>75%</u>
Subtotal	\$238,768
Prior Year Carry-Forward (Modified BGSS Savings Test)	\$0
Non-weather Impact Subject to Test	\$238,768

B. BGS Savings

Permanent Capacity Savings	\$1,869,881
Additional Capacity BGS Savings	708,432
Avoided Cost BGS Savings	<u>209,263</u>
Total BGS Savings	\$2,787,576

C. Results

Non-Weather Impacts Passing Test (current accrual)	\$318,357
Non-Weather Impacts Passing Test (prior year carry-forward)	\$0
Non-Weather Impacts Exceeding Test	\$0

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022
Recovery Tests**

Step 3: Apply Variable Margin Revenue Test

A. Non-weather Impact Subject to Variable Margin Revenue Test

Non-Weather Impact	\$318,357
Prior Year Carry-Forward (Variable Margin Revenue Test)	0
Non-weather Impact Subject to Test	\$318,357

B. Variable Margin Revenues

Variable Margin Revenues	\$71,948,227
Recovery Limitation (Subsequent years at 6.5%)	4.0%
Total Fixed Recovery Cap	\$2,877,929

C. Results

Non-Weather Impacts Passing Test (current accrual)	\$318,357
Non-Weather Impacts Passing Test (prior year carry-forward)	\$0
Non-Weather Impacts Exceeding Test	\$0

Step 4: Determine Recoverable Non-Weather CIP Impacts

A. Current Year Accrual Recoverable Non-Weather Impacts

Amount Passing Modified BGSS Savings Test	\$318,357
Amount Passing Variable Margin Revenue Test	\$318,357
Recoverable Amount	\$318,357

B. Previous Carry-Forward Recoverable Amounts

Amount Passing Modified BGSS Savings Test	\$0
Amount Passing Variable Margin Revenue Test	\$0
Deduction for any amount also included in above	0
	\$0

Total Non-Weather Recoverable CIP Amount **\$318,357**

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022
Recovery Tests**

Allocation of Recoverable Non-Weather CIP Amounts		\$318,357
	Total Non-Weather Related	
SC Nos. 1, 3, and 5	(\$689,584)	-216.6%
SC No. 2 Secondary	\$937,148	294.4%
SC No. 2 Primary	\$70,794	22.2%
	\$318,357	
Allowed Amount to Recover in Current Period	\$318,357	
To Be Recovered in a Future Period	\$0	
Allocation of Future Recoverable Amount		
SC Nos. 1, 3, and 5	\$0	
SC No. 2 Secondary	\$0	
SC No. 2 Primary	\$0	

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022
Weather Normalization Calculation**

SC Nos. 1, 3, and 5

	DEGREE DAYS NORMAL	DEGREE DAYS ACTUAL	DEGREE DAYS VARIANCE	HDD CONSUMPTION FACTOR	DEGREE DAYS kWh	DEGREE DAYS NORMAL	DEGREE DAYS ACTUAL	DEGREE DAYS VARIANCE	CDD CONSUMPTION FACTOR	COOLING kWh	TOTAL kWh	MARGIN FACTOR	MARGIN IMPACT	Jul21-Jun22 ACTUAL BILLED SALES (KWh)	2022 Budget CDD COEFFICIENT	2022 Budget HDD COEFFICIENT
Jul-21		0	2	2	29,806	398	414	16	144,696	2,322,364	2,372,439	\$0.0739	\$175,380	90,321,849	0.000534	0.00011
Aug-21		0	0	0	28,722	473	442	(31)	139,433	(4,375,410)	(4,375,410)	\$0.0739	(\$323,448)	87,036,886		
Sep-21		0	0	(0)	27,302	387	442	55	132,537	7,308,094	7,297,446	\$0.0739	\$539,456	82,732,249		
Oct-21		46	14	(32)	18,396	189	222	33	89,303	2,941,646	2,356,660	\$0.0698	\$164,452	55,744,792		
Nov-21		242	198	(45)	15,075	28	52	23	73,184	1,704,459	1,032,549	\$0.0643	\$66,378	45,682,983		
Dec-21		550	536	(13)	17,988	0	0	0	87,325	19,212	(218,235)	\$0.0643	(\$14,029)	54,510,139		
Jan-22		791	741	(50)	19,840	0	0	0	96,315	0	(993,990)	\$0.0711	(\$70,630)	60,121,567		
Feb-22		815	886	71	18,004	0	0	0	87,402	0	1,278,832	\$0.0711	\$90,870	54,557,918		
Mar-22		688	625	(63)	15,764	0	3	3	76,528	258,665	(737,950)	\$0.0711	(\$52,436)	47,770,401		
Apr-22		468	422	(46)	14,345	3	3	1	69,637	53,621	(607,961)	\$0.0711	(\$43,200)	43,469,037		
May-22		200	212	12	14,298	43	23	(20)	69,409	(1,368,743)	(1,198,458)	\$0.0711	(\$85,159)	43,326,404		
Jun-22		35	25	(10)	20,933	180	190	10	101,619	1,009,073	790,745	\$0.0751	\$59,346	63,432,370		
TOTAL	3,837	3,662	-175		-2,876,311	1,701	1,792	91		9,872,980	6,996,669		\$506,981	728,706,595		

SC No. 2

	DEGREE DAYS NORMAL	DEGREE DAYS ACTUAL	DEGREE DAYS VARIANCE	HDD CONSUMPTION FACTOR	DEGREE DAYS kWh	DEGREE DAYS NORMAL	DEGREE DAYS ACTUAL	DEGREE DAYS VARIANCE	CDD CONSUMPTION FACTOR	COOLING kWh	TOTAL kWh	MARGIN FACTOR	MARGIN IMPACT	Jul21-Jun22 ACTUAL BILLED SALES (KWh)	2022 Budget CDD COEFFICIENT	2022 Budget HDD COEFFICIENT
Jul-21		0	2	2	9,836	398	414	16	11,569	185,679	202,203	\$0.0442	\$8,935	44,667,094	0.000259	0.0000734
Aug-21		0	0	0	10,215	473	442	(31)	12,015	(377,018)	(377,018)	\$0.0442	(\$16,660)	46,388,411		
Sep-21		0	0	(0)	10,247	387	442	55	12,053	664,580	660,584	\$0.0442	\$29,191	46,535,120		
Oct-21		46	14	(32)	8,850	189	222	33	10,409	342,871	61,453	\$0.0424	\$2,605	40,188,990		
Nov-21		242	198	(45)	7,765	28	52	23	9,134	212,720	(133,378)	\$0.0400	(\$5,336)	35,264,669		
Dec-21		550	536	(13)	9,185	0	0	0	10,803	2,377	(118,859)	\$0.0400	(\$4,755)	41,710,048		
Jan-22		791	741	(50)	9,195	0	0	0	10,815	0	(460,647)	\$0.0456	(\$20,994)	41,755,430		
Feb-22		815	886	71	9,323	0	0	0	10,965	0	662,194	\$0.0456	\$30,179	42,337,617		
Mar-22		688	625	(63)	8,655	0	3	3	10,181	34,410	(512,787)	\$0.0456	(\$23,370)	39,307,219		
Apr-22		468	422	(46)	7,925	3	3	1	9,322	7,178	(358,334)	\$0.0456	(\$16,331)	35,991,093		
May-22		200	212	12	7,560	43	23	(20)	8,893	(175,361)	(85,317)	\$0.0456	(\$3,888)	34,334,068		
Jun-22		35	25	(10)	8,538	180	190	10	10,042	99,716	10,669	\$0.0476	\$507	38,771,807		
TOTAL	3,837	3,662	-175		-1,446,389	1,701	1,792	91		997,152	(449,237)		(\$19,917)	487,251,566		

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022
CIP BGS Savings**

I. Permanent BGS Savings

Year	WN Summer Peak	Final Zonal UCAP Obligation	Zonal Net Load Price \$/MW-Day	Zonal Net Load Price \$/kW-yr
2011/2012	407	482	\$116.15	\$42.42
2012/2013	409	458	\$143.06	\$52.25
2013/2014	404	459	\$248.30	\$90.69
2014/2015	402	460	\$137.54	\$50.24
2015/2016	400	466	\$166.53	\$60.83
2016/2017	401	441	\$163.27	\$59.63
2017/2018	400	436	\$153.74	\$56.15
2018/2019	408	451	\$218.98	\$79.98
2019/2020	404	456	\$115.58	\$42.22
2020/2021	398	453	\$174.32	\$63.67
		-2.2%	-6.1%	

Permanent Capacity Savings 29
2021 RE Zonal Net Load Capacity Cost per kW-year \$63.67
Total Permanent Reductions \$1,869,881

II. Additional Capacity BGS Savings

CIP Recovery

Year	WN Summer Peak	Final Zonal UCAP Obligation	Zonal Net Load Price \$/MW-Day
2020/2021	398	453	\$63.67
2021/2022	390	441	\$60.17

Incremental Capacity Savings* 12
RECO Zonal Net Load Capacity Cost per kW-year \$60.17
Total Additional Capacity Reductions \$708,432

*Due to the potential for Peak increase due to Electric Vehicles and Electrification, incremental savings is set as a minimum of the incremental obligation savings or zero.

III. Avoided Capacity

CIP Recovery Yr Annual \$
2021/2022 \$209,263

IV. Total of all Savings

CIP Recovery Yr	Permanent Capacity Savings	Additional Capacity BGSS Savings	Avoided Cost BGSS Savings	Annual \$
2021/2022	\$1,869,881	\$708,432	\$209,263	\$2,787,576

**Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022
Avoided Capacity Cost BGS Savings**

Month	Customer Count (Base) (a)	Customer Count (Current) (b)	Net Customer Count (c) = (b) - (a)	UCAP / Customer (kW) (Base) (d)	Cap Rate / Cust. (\$/kW) (Current) (e)	Avoided Capacity (f) = (c) * (d) * (e)
SC Nos. 1, 3, and 5						
July	64,224	64,620	396	5.69	\$5.01	\$11,302
August	64,296	64,676	380	5.69	\$5.01	10,833
September	64,307	64,685	378	5.68	\$5.01	10,774
October	64,050	64,689	639	5.71	\$5.01	18,286
November	64,119	64,824	705	5.70	\$5.01	20,153
December	64,127	64,841	714	5.70	\$5.01	20,408
January	64,903	64,887	(16)	5.70	\$5.01	(457)
February	64,769	64,906	137	5.69	\$5.01	3,911
March	61,803	64,916	3,113	5.69	\$5.01	88,810
April	64,643	64,931	288	5.69	\$5.01	8,222
May	64,550	65,067	517	5.69	\$5.01	14,755
June	<u>64,548</u>	<u>65,066</u>	<u>518</u>	5.69	\$5.01	<u>14,784</u>
	64,195	64,842	647			\$221,781
SC No. 2 - Secondary						
July	8,618	8,664	46	17.29	\$5.01	\$3,988
August	8,620	8,658	38	17.29	\$5.01	3,294
September	8,611	8,670	59	17.30	\$5.01	5,119
October	8,605	8,677	72	17.32	\$5.01	6,252
November	8,624	8,682	58	17.28	\$5.01	5,025
December	8,631	8,685	54	17.26	\$5.01	4,675
January	8,709	8,675	(34)	17.26	\$5.01	(2,943)
February	8,705	8,676	(29)	17.27	\$5.01	(2,512)
March	8,240	8,672	432	17.28	\$5.01	37,435
April	9,221	8,663	(558)	17.30	\$5.01	(48,415)
May	8,729	8,687	(42)	17.29	\$5.01	(3,642)
June	<u>8,628</u>	<u>8,695</u>	<u>67</u>	17.29	\$5.01	<u>5,808</u>
	8,662	8,675	14			\$14,083
SC No. 2 - Primary						
July	78	79	1	230.21	\$5.01	\$1,154
August	78	79	1	230.21	\$5.01	1,154
September	77	79	2	233.20	\$5.01	2,339
October	76	79	3	236.27	\$5.01	3,554
November	76	79	3	236.27	\$5.01	3,554
December	76	79	3	236.27	\$5.01	3,554
January	80	77	(3)	239.42	\$5.01	(3,601)
February	80	77	(3)	242.66	\$5.01	(3,650)
March	78	76	(2)	242.66	\$5.01	(2,433)
April	94	75	(19)	239.42	\$5.01	(22,809)
May	81	77	(4)	236.27	\$5.01	(4,739)
June	<u>80</u>	<u>76</u>	<u>(4)</u>	233.20	\$5.01	<u>(4,677)</u>
	80	78	(2)			(\$26,600)
Total Avoided Capacity Cost BGS Savings						\$209,263

Base Year Unforced capacity is equal to the 2017/2018 Unforced capacity from PJM by rate schedule divided by number of customers

Current Year Capacity rate is the current year RE Zonal Net Load Price \$/kW-yr divided by 12

Rockland Electric Company
Conservation Incentive Program - 12 Months Ended June 2022

Earnings Test

(1)	Equity Base for Earnings Test **	\$130,109,464
(2)	Allowed ROE*	9.6%
(3)	ROE Limit buffer	0.5%
(4) = (2) + (3)	Maximum ROE	<u>10.1%</u>
(5)	Actual Net Income **	\$12,339,015
(6) = (5) / (1)	ROE for Earnings Test	9.48%
(7) = If (4) > (6), Pass else Fail	Earnings Test Pass / Fail	<u><u>Pass</u></u>

* ROE as approved in BPU Docket No. ER21050823

** Distribution related net income and equity base

GENERAL INFORMATION

No. 40 CONSERVATION INCENTIVE PROGRAM (“CIP”) ADJUSTMENT (Continued)

Monthly customer group specific RPC targets are calculated by dividing the number of customers for each month into the monthly distribution revenue approved in the Company’s most recent base rate filing. On a monthly basis, the allowed revenue shall be calculated by multiplying the customer group specific RPC target by the actual number of customers for that month in the customer group.

RPC Targets (\$/customer) – Effective January 1, 2022

Month	Group A	Group B	Group C
Jul	95.04	291.27	3,697.89
Aug	98.12	297.58	3,294.38
Sep	80.81	285.47	3,563.90
Oct	55.68	241.71	2,814.58
Nov	47.68	221.23	2,768.40
Dec	56.46	236.73	2,856.63
Jan	60.15	272.45	2,736.14
Feb	54.70	233.15	2,619.89
Mar	49.40	195.62	2,731.00
Apr	46.90	231.88	2,303.97
May	48.49	224.88	2,683.06
Jun	71.45	271.00	3,226.55

The Company will determine the maximum amount of revenue the Company may collect in a program year through the CIP Adjustment charges. For the first annual deferral period (July 1, 2021 through June 30, 2022), the maximum amount of revenue will be determined by taking 4.0% of the customer charge revenue, distribution usage revenue, and distribution demand revenue of customer groups A – C. In subsequent years, the maximum amount of revenue will be determined by taking 6.5% of the customer charge revenue, distribution usage revenue, and distribution demand revenue of customer groups A – C. If the amount to be collected (*i.e.*, the difference between actual revenue and allowed revenue) is larger than baseline amount established by the savings test, the difference between the total amount to be collected and the baseline will be deferred for collection in the following year.

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
Mahwah, New Jersey 07430

GENERAL INFORMATION**No. 40 CONSERVATION INCENTIVE PROGRAM (“CIP”) ADJUSTMENT (Continued)**

Each month, the Company will compare the monthly actual distribution revenue to the monthly target distribution revenue for each customer group. A carrying charge will be calculated on the deferred balance for any over-collection or under-collection. The carrying charge will be calculate in accordance with the Board’s Order dated October 21, 2008 in BPU Docket No. ER08060455.

Commencing July 31, 2022 and every July 31 thereafter, the Company will file to determine each customer group specific CIP Adjustment applicable for the 12-month period commencing October 1.

	CIP Adjustment (¢ per kWh)	
	Excluding SUT	Including SUT
Group A	(0.0270)	(0.0290)
Group B	0.1870	0.1990
Group C	0.1200	0.1280

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
Mahwah, New Jersey 07430

GENERAL INFORMATION

No. 40 CONSERVATION INCENTIVE PROGRAM (“CIP”) ADJUSTMENT (Continued)

Monthly customer group specific RPC targets are calculated by dividing the number of customers for each month into the monthly distribution revenue approved in the Company’s most recent base rate filing. On a monthly basis, the allowed revenue shall be calculated by multiplying the customer group specific RPC target by the actual number of customers for that month in the customer group.

RPC Targets (\$/customer) – Effective January 1, 2022

Month	Group A	Group B	Group C
Jul	95.04	291.27	3,697.89
Aug	98.12	297.58	3,294.38
Sep	80.81	285.47	3,563.90
Oct	55.68	241.71	2,814.58
Nov	47.68	221.23	2,768.40
Dec	56.46	236.73	2,856.63
Jan	60.15	272.45	2,736.14
Feb	54.70	233.15	2,619.89
Mar	49.40	195.62	2,731.00
Apr	46.90	231.88	2,303.97
May	48.49	224.88	2,683.06
Jun	71.45	271.00	3,226.55

The Company will determine the maximum amount of revenue the Company may collect in a program year through the CIP Adjustment charges. For the first annual deferral period (July 1, 2021 through June 30, 2022), the maximum amount of revenue will be determined by taking 4.0% of the customer charge revenue, distribution usage revenue, and distribution demand revenue of customer groups A – C. In subsequent years, the maximum amount of revenue will be determined by taking 6.5% of the customer charge revenue, distribution usage revenue, and distribution demand revenue of customer groups A – C. If the amount to be collected (*i.e.*, the difference between actual revenue and allowed revenue) is larger than baseline amount established by the savings test, the difference between the total amount to be collected and the baseline will be deferred for collection in the following year.

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President
Mahwah, New Jersey 07430

GENERAL INFORMATION**No. 40 CONSERVATION INCENTIVE PROGRAM (“CIP”) ADJUSTMENT (Continued)**

Each month, the Company will compare the monthly actual distribution revenue to the monthly target distribution revenue for each customer group. A carrying charge will be calculated on the deferred balance for any over-collection or under-collection. The carrying charge will be calculate in accordance with the Board’s Order dated October 21, 2008 in BPU Docket No. ER08060455.

Commencing July 31, 2022 and every July 31 thereafter, the Company will file to determine each customer group specific CIP Adjustment applicable for the 12-month period commencing October 1.

	CIP Adjustment (¢ per kWh)	
	Excluding SUT	Including SUT
Group A	(0.0270)	(0.0290)
Group B	0.1870	0.1990
Group C	0.1200	0.1280

ISSUED:

EFFECTIVE:

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