Agenda Date: 10/30/24
Agenda Item: 8B

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY AND CLEAN ENERGY

IN THE MATTER OF THE PETITION OF	)	ORDER ADOPTING STIPULATION
ELIZABETHTOWN GAS COMPANY FOR APPROVAL	)	
OF TRIENNIUM 2 CLEAN ENERGY PROGRAMS	)	
AND ASSOCIATED COST RECOVERY PURSUANT	)	
TO THE CLEAN ENERGY ACT	)	DOCKET NO. QO23120869

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Sheree L. Kelly, JD, MBA, Regulatory Affairs Counsel, Elizabethtown Gas Company
John Kolesnik, Esq., Counsel for the Energy Efficiency Alliance of New Jersey
Steven S. Goldenberg, Esq., Counsel for the New Jersey Large Energy Users Coalition

BY THE BOARD:[1]

On December 1, 2023, Elizabethtown Gas Company ("ETG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting approval of proposed energy efficiency ("EE"), building decarbonization start-up ("BD"), and demand response ("DR") programs (collectively, "EE programs") over a thirty (30)-month period from January 1, 2025 through June 30, 2027 ("Triennium 2") with a total budget of approximately $277.2 million ("Petition"). By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by ETG, Board Staff ("Staff"), the New Jersey Division of Rate Counsel ("Rate Counsel"), the Energy Efficiency Alliance of New Jersey ("EEA-NJ"), and the New Jersey Large Energy Users Coalition ("NJLEUC") (collectively, "Parties") that disposes of all issues in controversy in this matter.

BACKGROUND AND PROCEDURAL HISTORY

The New Jersey Clean Energy Act of 2018

On May 23, 2018, Governor Murphy signed the Clean Energy Act, N.J.S.A. 48:3-87.87 *et seq.,* ("CEA") into law. The CEA mandates that New Jersey's electric and gas public utilities increase their role in delivering EE and peak demand reduction ("PDR") programs. The CEA further directs the Board to require the electric and gas utilities to reduce customer use of electricity and natural gas in their respective service territories.

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[1] Commissioner Marian Abdou abstained from voting on this matter.

Specifically, the CEA directs the Board to require:

> (a) each electric public utility to achieve, within its territory by its customers, annual reductions of at least 2% of the average annual electricity usage in the prior three years within five years of implementation of its electric energy efficiency program; and
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> (b) each natural gas public utility to achieve, within its territory by its customers, annual reductions in the use of natural gas of at least 0.75% of the average annual natural gas usage in the prior three years within five years of implementation of its gas energy efficiency program.[2]

Triennium 1

By Order dated June 10, 2020, the Board approved, pursuant to the CEA, utility programs that reduce the use of electricity and natural gas within the utilities' territories.[3] By the June 2020 Order, the Board directed the utilities to file three (3)-year program petitions by September 25, 2020 for approval by the Board by May 1, 2021 and implementation from July 1, 2021 through June 30, 2024 ("Triennium 1").

By Order dated April 7, 2021, the Board approved a stipulation of settlement authorizing ETG to implement an EE Program ("EEP") with a program budget not to exceed $83,415,832 and Operations & Maintenance ("O&M") expenses in an amount not to exceed $7,393,748.[4] By the April 2021 Order, the Board also authorized ETG to implement a Conservation Incentive Program ("CIP") to account for lost revenues due to the EEP.

On November 20, 2023, ETG filed a letter petition with the Board, requesting approval to extend the term of its EE programs from July 1, 2024 through December 31, 2024. By Order dated April 30, 2024, the Board approved a stipulation of settlement to extend the term of the Company's EE programs and associated cost recovery from Triennium 1 through December 31, 2024.[5]

Triennium 2

By Order dated May 24, 2023, the Board directed each electric and gas public utility to propose, for Board approval, EE programs for Triennium 2 on or before October 2, 2023, and the Board

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[2] N.J.S.A. 48:3-87.9(a).

[3] 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").

[4] In re the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket Nos. QO19010040 and GO20090619, Order dated April 7, 2021 ("April 2021 Order").

[5] In re the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket No. GO20090619, Order dated April 30, 2024.

addressed certain aspects of the Triennium 2 framework.[6] By Order dated July 26, 2023, the Board approved the remaining aspects of the Triennium 2 framework.[7] By Order dated October 25, 2023, the Board updated the energy savings targets for the Triennium 2 EE programs and extended the Triennium 1 period through December 31, 2024.[8] By the October 2023 Order, the Board also delayed the start of Triennium 2 by six (6) months, from July 1, 2024 to January 1, 2025, and ordered that Triennium 2 would be a thirty (30)-month period covering January 1, 2025 through June 30, 2027.

By Order dated September 27, 2023, the Board extended the filing deadline for Triennium 2 petitions from October 2, 2023 to December 1, 2023 and directed that any entities seeking to intervene or participate in this matter file the appropriate application with the Board by December 8, 2023 and that entities file with the Board any responses to those motions by December 14, 2023.[9] By the September 2023 Order, the Board retained this matter for hearing and, pursuant to N.J.S.A. 48:2-32, designated President Guhl-Sadovy as Presiding Commissioner.

By Order dated January 10, 2024, the Board designated President Guhl-Sadovy as the Presiding Commissioner for the Public Service Electric and Gas Company ("PSE&G") filing and designated Commissioner Abdou as the Presiding Commissioner in this matter, authorized to rule on all motions that arise during the pendency of this proceeding and modify schedules that may be set

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[6] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated May 24, 2023 ("May 2023 Order").

[7] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated July 26, 2023 ("July 2023 Order").

[8] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150, Order dated October 25, 2023 ("October 2023 Order").

[9] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated September 27, 2023 ("September 2023 Order"). The September 2023 Order also directed that any entity wishing to file a motion for admission of counsel, *pro hac vice*, should do so concurrently with any motion to intervene or participate. No entity filed a motion for admission *pro hac vice* in this matter.

as necessary to secure a just and expeditious determination of all issues.[10]

DECEMBER 2023 PETITION

On December 1, 2023, ETG filed the Petition with the Board. In the Petition, the Company proposed a total budget of approximately $277.2 million for its EE programs over a thirty (30)-month period from January 1, 2025 through June 30, 2027. The proposed programs and associated costs are summarized in the table below:

Category	Sector	Program	Total
Core	Residential	Whole Home	$22,358,485
		Income Qualified	$31,081,504
		EE Products	$39,076,473
		Behavioral	$2,480,127
	Commercial	Energy Solutions	$32,018,475
		Prescriptive and Custom	$22,734,951
		Direct Install	$51,401,612
	Multifamily	Multifamily	$36,008,519
Utility-Led		Building Decarbonization	$5,601,952
		Demand Response	$1,185,649
		Next Generation Savings	$1,273,240
Other Portfolio Costs		Workforce Development	$700,000
		Community Outreach	$300,000
		Outside Services	$675,000
Net Utility Transfers			$30,338,333
Total			**$277,234,321**

ETG also sought authorization to recover all costs associated with the Triennium 2 Programs and to be permitted to earn a return on and of investments associated with these programs through its Energy Efficiency Program Rider ("EEP Rider") rate, set forth in Rider "E" of the Company's tariff. ETG further proposed that lost revenues associated with these programs be recovered through its existing CIP, set forth in Rider "G" of the Company's tariff.

By the Petition, ETG proposed a Triennium 2 Program budget of approximately $277.2 million, comprised of $258.1 million of program investment and $19.1 million of O&M costs. The O&M costs primarily consist of utility administration, inspections and quality control, and evaluation costs. ETG estimated that, under its proposal, it would recover a total of approximately $280.1 million from ratepayers and $81.7 million from loan participants from 2025 through 2037.

ETG's proposed Triennium 2 Program revenue requirements consisted of two (2) general components: 1) On Bill Repayment Program ("OBR Program") investments; and 2) Direct

[10] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs *et al.*, BPU Docket Nos. QO23030150, QO23120868, QO23120869, QO23120870, QO23120871, QO23120872, QO23120874, and QO23120875, Order dated January 10, 2024 ("January 2024 Order"). By the January 2024 Order, the Board also designated Commissioner Abdou as the Presiding Commissioner for the New Jersey Natural Gas Company ("NJNG") and South Jersey Gas Company ("SJG") filings, BPU Docket Nos. QO23120868 and QO23120870.

Program investments. The OBR Program investment category is comprised of the loan incentives that will be provided by the Company through the following programs: Energy Efficiency Products, Whole Home, Multifamily, Prescriptive/Custom, Direct Install, Energy Solutions, and Building Decarbonization. The Direct Program investments category is comprised of grants and energy audits, as well as other capitalizable expenditures required to implement the proposed programs. ETG states that its determination of the revenue requirements for the OBR Program investments and the Direct Program investments is consistent with previous Board approvals of ETG's EE programs.

Based upon the requests in the Petition, ETG estimated that the effect of the Year 1 rate increase on the bill of a typical residential heating customer, using an average of 100 therms per month, would be an increase of $1.26 or 1.1 %, if approved as proposed.

On December 26, 2023, Staff issued ETG a letter of administrative deficiency ("Letter") identifying administratively incomplete portions of the Petition and requesting that the Company cure any deficiencies. On January 5, 2024, ETG filed an update to the Petition to cure the deficiencies identified in the Letter ("Update"). On January 12, 2024, Staff issued a letter of administrative completeness, noting that the Update adequately cured the deficiencies identified in the Letter and that Staff therefore determined the Petition to be administratively complete. N.J.S.A. 48:3-98.1(b) provides the Board with 180 days to approve, modify, or deny the Company's requested recovery of costs for the Program. The 180-day period for the Board to review the Petition commenced on January 5, 2024.

By the January 2024 Order, the Board directed that any entity wishing to file a motion for leave to intervene or participate, or to update a previously-filed motion for leave to intervene or participate, in this proceeding had until seven (7) days following Staff's issuance of a letter of administrative completeness to the Company. The Board subsequently received no additional or updated motions seeking leave to intervene or participate.

By Order dated February 26, 2024, after considering all Motions to Intervene or Participate in this matter and responses to the Motions, Commissioner Abdou granted intervenor status to EEA-NJ and NJLEUC, and participant status to Uplight, Inc. and the joint utilities: Atlantic City Electric Company, Jersey Central Power & Light Company, NJNG, PSE&G, Rockland Electric Company, and SJG.[11]

On March 19, 2024, the Parties submitted for approval a stipulation of settlement, proposing to extend the 180-day review period to October 15, 2024 ("180-Day Stipulation"). By Order dated April 23, 2024, Commissioner Abdou approved the 180-Day Stipulation, extended the 180-day review period to October 15, 2024, and established a procedural schedule for this matter.[12]

Through a series of additional Orders, Commissioner Abdou further modified the procedural schedule, thereby granting multiple extensions of time for the filing of testimony in this matter, and fully suspended the procedural schedule to allow for the continuance of fruitful settlement

[11] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated February 26, 2024.

[12] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated April 23, 2024.

discussions.[13]

Following proper notice in newspapers of general circulation and upon affected municipalities and counties within ETG's service territory, ETG held two (2) virtual public hearings at 4:30 p.m. and 5:30 p.m. on May 20, 2024. Several members of the public made statements at the public hearings, many of whom commented in support of the Petition. Three (3) members of the public provided oral comment during the 4:30 p.m. hearing. One (1) commenter advocated for the promotion of hybrid systems for consumers. One (1) commenter spoke about the importance of utilizing federal funding for energy efficiency and advocated for funding to help residents who choose energy efficiency measures. One (1) commenter spoke about the economic damage that climate change can cause and the importance of tackling it. No members of the public provided oral comment during the 5:30 p.m. hearing. The Board received written comments dated June 5, 2024 expressing support for greater geothermal heat pump incentives for commercial EE program participants.

On October 6, 2024, the Parties submitted, for approval, a stipulation of settlement proposing to extend the 180-day review period to October 31, 2024 ("Second 180-Day Stipulation"). By Order dated October 15, 2024, Commissioner Abdou approved the Second 180-Day Stipulation and extended the 180-day period for the Board to issue a decision pursuant to N.J.S.A. 48:3-98.1 to October 31, 2024.[14]

STIPULATION

Following discovery and settlement discussions, the Parties executed the Stipulation, which in relevant part provides for the following:[15]

Triennium 2 Programs

24. The Parties agree that, subject to Board approval of the Stipulation, the Company may implement Triennium 2 Programs under the terms and conditions described in the Stipulation for a term of two-and-one-half years commencing January 1, 2025 and ending June 30, 2027. Triennium 2 programs will include implementation, administration, and investment in eight (8) EE core programs. The EE core programs are comprised of four (4) residential, three (3) commercial and industrial ("C&I"), and one (1) multifamily program.
25. In addition to the programs above, the Company will also continue its workforce development ("WFD") program as required in the May 2023 Order and July 2023 Order. The Company shall develop a WFD implementation plan, community benefits

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[13] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, Order Modifying and Suspending Procedural Schedule, BPU Docket No. QO23120869, Order dated May 15, 2024; In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, Order Suspending Procedural Schedule, BPU Docket No. QO23120869, Order dated June 4, 2024.

[14] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated October 15, 2024.

[15] Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

plan, and evaluation plan, including performance metrics, before or within Program Year 5 of Triennium 2. The Company shall actively seek input and recommendations from the EE WFD Working Group established by the Board in the June 2020 Order and through monthly EE stakeholder meetings to develop and enhance these plans prior to implementation in coordination with the other New Jersey utilities.

26. Upon receipt of any monies received by the utility as direct funding from a State or federal governmental entity for the Company's WFD program, the Company agrees to reduce its WFD budget by the corresponding dollar amount.

27. Except as set forth below, the Company will not designate any funding in its WFD program toward wraparound services. Consistent with the May 2023 Order, July 2023 Order, and Triennium 1, the Company will work with State and federal agencies to seek any opportunity to receive grants or funding specifically for the provision of wraparound services that may be available to the Company, partner community-based organizations ("CBOs"), and/or participants of the Company's WFD program for wraparound services. To the extent that programs or funding are not available or funding is insufficient, the Company may utilize Triennium 2 WFD dollars to provide these services up to the lesser of $100,000 or 3% of its approved WFD budget and will coordinate with utilities having overlapping territory to minimize the costs to deliver these services. The utilities are encouraged to seek deeper coordination with CBOs for wraparound services in preparation for Triennium 3.

28. The Company will not utilize its WFD or O&M budget to provide contractors with WFD performance incentives.

29. WFD program funding shall not be utilized to provide training or development to the Company's own employees.

30. The Company agrees to withdraw its request to implement the following Triennium 2 Programs: Next Generation Savings, BD, and DR.

31. The Company agrees to withdraw its request to include the Comfort Partners Program as a component of its Income Qualified Program. The Comfort Partners Program will continue to be managed by the Board. The Company will continue to claim savings from the Comfort Partners Program towards its compliance with its quantitative performance indicators ("QPIs").

32. The Parties agree that the design for the Triennium 2 Programs shall be as described in the updated ETG Triennium 2 Program Plan which is Attachment 1 to the Stipulation and incorporated by reference. Attachment 1 of the Stipulation is subject to modification as permitted by the May 2023 Order and July 2023 Order or as otherwise approved by the Board.

33. The Parties anticipate that programs will continue to evolve. The Company shall continue to coordinate with the Division of Clean Energy and other utilities with whom the Company has overlapping service territories to achieve consistency where possible in the design and delivery of core programs. To the extent that the utilities jointly decide to implement programs differently than currently envisioned, the Company commits to implement – as permissible under law, the Stipulation, and within

approved budgets – consistent elements of the core programs concurrently with all electric and gas utilities in the state as follows:

- Common forms for use by customers and contractors;
- Contractor requirements, open and competitive procurement protocols where feasible, and training; procurement protocols should include policies and practices (e.g., scoring systems) that encourage supplier diversity (including contractors and subcontractors) and contractor coaching/mentoring of diverse business enterprises;
- Customer and property eligibility requirements and processes, including alternative/automatic eligibility methods for low- to moderate-income customers (e.g., based on census tracts, environmental justice communities, Urban Enterprise Zones, etc.);
- Eligible measures;
- Incentive ranges;
- Incentive payment processes and timeframes;
- Customer and contractor engagement platforms;
- Data platforms and database sharing among program administrators, where appropriate; and
- Quality control standards and remediation policies.

To the extent the Company wishes to change programs in ways that conflict with the Stipulation, the Company will advise all parties to the Stipulation and seek to modify the Stipulation and obtain Board approval for those changes.

34. The Company agrees to contribute to the design and coordinate on the scope of a one-stop shop website, a platform to provide customers and contractors with a simple and easy-to-understand application process to participate in utility and State EE, BD, and DR programs. The Parties agree to work together to develop a project plan and timeline by June 30, 2025 to launch the website during Triennium 2 if feasible. Key project development milestones include, but are not limited to: initial design phase, development phase, testing and quality assurance, launch, and training. This initiative will be funded at a value not to exceed 1% of the Company's administrative budget.

35. Incentive structures associated with the core programs are described in Attachment 1 to the Stipulation, consistent with the May 2023 Order and July 2023 Order, and include any additional updates to incentives that are agreed upon as part of the Stipulation.

36. The Parties agree that the Company is authorized to offer up to $71.7 million of principal in on-bill repayment ("OBR") to its customers, which will be repaid by the participants and shall not be charged to ratepayers. The Parties agree that financing shall continue to be offered at a 0% interest rate for the duration of Triennium 2. The Company intends to work with the other utilities throughout implementation to continue to provide comparable financing offerings to customers and deliver similar access across the coordinated programs. The Company plans to make this financing option available for customers participating across the residential, multifamily, and C&I sector programs where qualifying measures involve a sizeable cost to the customer, including major appliances, HVAC, home retrofit and multifamily projects, small business direct install projects, C&I prescriptive and custom measures, and Energy Solutions projects.

The Company agrees to coordinate with the other utilities on evaluation, measurement, and verification ("EM&V") studies to review the impact of financing offerings on program participation and identify potential modifications that may be implemented in future triennia.

37. The Parties acknowledge the important role played by rebates and incentive levels in customer adoption of EE measures and that the Parties have endeavored to identify a level of rebates and incentives that will allow utilities to achieve their required energy savings targets. During the Triennium 2 period, the Parties agree to revisit specific Triennium 2 EE Plan rebate/incentive levels if customer participation is inadequate or in excess of what is required to meet the Company's Triennium 2 savings targets and to adjust rebate/incentive levels to ensure that they facilitate appropriate customer participation that will allow the Company to meet its Triennium 2 energy savings targets. Any adjustments will be consistent with the requirements enumerated at page 19 of the May 2023 Order, and any requests to increase a rebate or incentive in excess of the maximum incentive range which is shown as the "up to" amount in Appendix H of Attachment 1 to the Stipulation will require Staff's approval.

38. Customers in ETG's gas service territory who meet the criteria for the respective Triennium 2 offerings will be eligible to participate.

<u>Triennium 2 Budget by Program</u>

39. The Parties agree to the Triennium 2 budget as follows:

DIRECT BUDGET PROGRAM	TOTAL PROGRAM
BEHAVIORAL	$2,480,127
ENERGY EFFICIENT PRODUCTS	$18,505,953
WHOLE HOME	$6,505,745
INCOME QUALIFIED	$11,379,085
MULTIFAMILY	$22,072,257
PRESCRIPTIVE / CUSTOM	$15,050,199
DIRECT INSTALL	$32,064,830
ENERGY SOLUTIONS	$17,768,101
STATEWIDE COORDINATOR	$675,000
WORKFORCE DEVELOPMENT	$700,000
COMMUNITY OUTREACH	$300,000
TOTAL PROGRAMMATIC BUDGET	$127,501,297
NET TRANSFERS TO/FROM EDCS	$20,700,000
TOTAL DIRECT BUDGET	$148,201,297
*Includes $14.74 million of incremental O&M expenses	

40. The Parties agree that the total programmatic budget for the Triennium 2 period shall not exceed $127,501,297, which includes a not to exceed value of $14.74 million in O&M expenses.

41. The Parties also agree that the budget for net transfers in utility overlapping territories is approximately $20.7 million, resulting in a total direct budget of approximately $148.2 million. To the extent that the net transfer budget differs from the stipulated value, ETG will manage any overage or shortfall within the approved total direct budget. The Company shall coordinate the exchange of energy savings and costs with any utility whose service territory overlaps with the Company's service territory ("Partner Utility") consistent with the net transfer process previously employed in Triennium 1, as it may be revised from time to time. The Company also agrees to report its gross inflows and outflows of transfers, the details of which will be determined by Staff, Rate Counsel, and the utilities via the group established by the Board in the June 2020 Order to facilitate and resolve issues impacting the EM&V of EE and PDR programs implemented pursuant to the CEA ("EM&V Working Group").

Triennium 2 Program Expenditures

42. The Parties agree that the total programmatic budget for the Triennium 2 Programs is $127,501,297, which includes investment and administrative expenses. Investments include all capital expenditures, direct incentives, incentive payment processing, program customer intake processing, direct marketing and outreach, health and safety, audit, installation labor, project quality assurance/quality control, administration and outside services for third-party program implementation, and EM&V. The budget for investments includes amounts that are spent or committed during Triennium 2, amounts reserved to fund projects and incentives for customers who have enrolled in programs during Triennium 2, and program EM&V costs that extend beyond the thirty (30)-month period. The Parties also agree that Triennium 2 Program funds may be utilized for a project that was enrolled during Triennium 1 and completed in the Triennium 2 program cycle.

43. The Parties agree that, in order to have programs, vendors, and systems in place to begin delivery on January 1, 2025, program spending may commence upon Board approval of the Stipulation. All Triennium 2 expenditures will be filed with the Board and submitted for prudency review in annual cost recovery filings by way of ETG's annual cost recovery proceedings.

Budget Updates

44. The Company may shift the timing of investment spending between or among program years, programs, and sectors as necessary to provide flexibility in responding to market conditions and customer demand and to ensure the achievement of program targets during the term of the program in accordance with the limitations and procedures set forth in the May 2023 Order and July 2023 Order:

- ETG may shift program budgets within or among the residential, C&I, multifamily, and other sectors. More specifically, within any 365-day period of time, ETG may shift its budgets between individual programs within the same sector up to and including 25% of the Company' total Triennium 2 budget with notification to Staff and Rate Counsel, greater than 25% and up to 50% with Staff approval, and greater than 50% with Board approval.
- Within any 365-day period of time, ETG may also shift budgets out of a sector up to and including 10% of the Company's total Triennium 2 budget with

notification to Staff and Rate Counsel, greater than 10% and up to 20% with Staff approval, and greater than 20% with Board approval.

- Requests for budget adjustments within the 2.5-year Triennium 2 period necessitating Staff approval shall be submitted to Staff and Rate Counsel with a written description of, and rationale for, the proposed transfers, and shall be responded to within 30 days. Requests for budget transfers shall identify O&M spending associated with the program(s). Transferred O&M spending shall not be used as investment. Rate Counsel may object within 30 days, in which case Staff shall review within 30 days of Rate Counsel's objection. If there is no response from Rate Counsel or Staff within 30 days of ETG's requests, those requests shall be deemed granted.

45. The Parties agree that the Company may petition the Board to carry over energy savings in excess of annual compliance goals, from Triennium 1 into Triennium 2 and from any Triennium 2 program year to another Triennium 2 program year, in excess of the parameters established by the May 2023 Order and July 2023 Order. The Company shall notify Staff and Rate Counsel in its compliance reports the date of its waiver petition and the outcome.

46. The Parties agree that, for EE projects that commenced prior to Triennium 2 that require multiple years to complete, either between program cycles or within a program cycle, the Company will calculate energy savings based on the Technical Reference Manual ("TRM") in effect when the project commenced.

47. At the end of Triennium 1, the Company will provide a report to Staff and Rate Counsel detailing the committed and uncommitted funds left in the Triennium 1 budget, including any, and all, extensions. In the event that the Company expects to receive a return on equity ("ROE") reduction penalty as defined by the Triennium 2 Performance Incentive Mechanism, the Company may, upon notice to the Parties, utilize any Triennium funding, including the funding associated with the Triennium 1 Extension period, not expended or committed in Triennium 1. If the Company elects to utilize uncommitted budget dollars from Triennium 1, it will not be permitted to earn an incentive under the established Triennium 2 Performance Incentive Mechanism within the program year or years when Triennium 1 funding is expended. During Triennium 2, when applicable, the Company will provide quarterly reports that demonstrate how the Triennium 1 funding was allocated among programs and spent. During Triennium 2, if the Company requests shifts in budget among programs and sectors, Triennium 1 funds will be reported separately in that request or notice.

Quantitative Performance Indicators

48. The table below includes the Company's proposed QPIs that will be used to track and evaluate the Company's performance in Triennium 2.

QPI	Description	Weight	Unit	Target – Program Total
1. Annual Energy Savings	Verified first year energy savings from measured completed in the given program year	30%	Source MMBtu	670,7125
2. Annual Demand Savings	Verified peak demand savings from measures completed in the given program year	10%	Peak MV or peak-day therm	4,419
3. Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year	20%	Source MMBtu	6,539,148
4. LMI and OBC Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year from LMI and OBC customers	10%	Source MMBtu	314,057
5. Small Business Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year for small business customers	10%	Source MMBtu	277,393
6. Cost to Achieve	Total EE portfolio costs divided by total portfolio verified lifetime energy savings	20%	Total EE Portfolio$/ Lifetime source MMBtu	17.53

49. QPI performance periods shall be those set forth in the May 2023 Order and July 2023 Order. All energy savings from projects and measures from Triennium 1 and Triennium 2 programs, and Comfort Partners in the Company's territory completed after January 1, 2025 shall be reported separately in the Company's QPI performance measurement. For the purpose of determining the Company's compliance with the QPIs and achievement of the required energy savings targets, the TRM in effect as of January 1, 2025 shall be used during the term of Triennium 2, subject to any annual TRM updates or other relevant guidance adopted in the Triennium 2 Evaluation Framework, except as noted in Paragraph 51 of the Stipulation.

50. The Company will perform EM&V for the Triennium 2 Programs in accordance with the May 2023 Order, July 2023 Order and any recommendations of the EM&V Working Group adopted by the Board, as well as for any additional energy savings claimed by the Company toward the annual energy savings QPI and Triennium 2 targets, subject to guidance adopted in the Triennium 2 Evaluation Framework. All Triennium 1 projects and measures completed after January 1, 2025 shall also be included in the Triennium 2 EM&V plan.

51. The Company acknowledges that the EM&V Working Group will update the Triennium 2 Evaluation Framework, as needed approaching the commencement and performance of Triennium 2, with key elements including, but not limited to: (1) an annual update to the Program Year TRM, (2) removal of the distinction between Category 1 and Category 2 program metrics, (3) evaluation of financing offers, (4) enhancements of data governance and disclosure, (5) submission of EM&V milestone plans, (6) assurance of evaluability of programs, and (7) modifications to quarterly reporting. Updates to the Triennium 2 Evaluation Framework will be presented for comments at monthly EE stakeholder meetings. The Company agrees to comply with any changes resulting from the updated Triennium 2 Evaluation Framework, the terms of which shall apply throughout the whole of Triennium 2.

52. The Company further appreciates the need for enhanced evaluation rigor and shall dedicate the appropriate EM&V resources to conduct joint utility program evaluations where appropriate and to implement the EM&V implementation plans which will be developed in conjunction with New Jersey’s Statewide Evaluator (“SWE”) at the start of Triennium 2.

53. The Company shall continue to file required quarterly and annual reports and submit data regarding all the Triennium 2 programs, financing initiatives, and related expenses in accordance with the content, format, and timing dictated by the May 2023 Order, July 2023 Order, and any subsequent directives regarding the Triennium 2 programs from the Board, with any required adjustments from Triennium 1 to be developed by the EM&V Working Group.

54. The Parties agree that revised in-service rates, under performance of installed measures, changes in industry standard practices, building code updates, federal appliance standards, or other market events are some factors that could be reflected in the annual Program Year Update to the TRM. The TRM Committee will work collaboratively with the Company to ensure that TRM updates provide the Company with adequate time to adjust programmatic activities toward the achievement of performance targets. If a mutually agreeable outcome does not occur, the Company reserves the right to petition the Board for a waiver of the enforcement of any penalties in the event that the performance targets are not achieved as a result of such changes. All Parties reserve all rights to respond to any petition seeking a waiver of any penalties filed by the Company.

<u>Customer Data and Data Sharing</u>

55. Customer information shall be used by the Company to deliver an effective customer experience in compliance with applicable Board regulations and statutory obligations. The Company shall enforce privacy and data handling policies and procedures for the Triennium 2 Programs that are consistent with ETG’s customer data security

protections, the May 2023 Order, July 2023 Order, and any applicable BPU regulations and statutory obligations. In the event of any breach of the above confidentiality by an affiliate, ETG shall remediate such breach to the full extent required by law. In the event of any breach of the above confidentiality by a vendor hired to deliver the Triennium 2 Programs or to evaluate the programs, the Company commits to enforcing the contractual confidentiality requirement to the extent allowed by the law. Any "breach of security" with respect to customers' "personal information," as those terms are defined in N.J.S.A. 56:8-161, shall be treated in accordance with the New Jersey Identity Theft Prevention Act, N.J.S.A. 56:8-161 et seq., and Section 3b of the Board's Cybersecurity Order of March 18, 2016.

56. ETG agrees that customer-specific data belongs to the customer, who may request or authorize ETG to share it with suppliers, and that data gathered during the operation of these programs not specific to any customer belongs to the Company and shall be used solely to support current or future regulated utility programs, including EM&V work. Such data may not be used for other purposes without Board approval, except as noted in Paragraph 57 of the Stipulation. The Company will also submit non-customer-specific data to the Board in compliance with reporting requirements, as established by the Board. Customer-specific data may be shared with the Board or its contractors for the purposes of program evaluation after the execution of Non-Disclosure Agreements ("NDAs") and Company review and approval of the Board's and/or contractor's cyber and data security protocols.

57. The Parties also agree that ETG may use customer-specific data or program data from other BPU-approved utility programs for Triennium 2, and that other utility BPU approved programs may use data from Triennium 2. The Company will not share or use customer-specific data for non-utility-specific BPU programs. Such data may not be used for other purposes without Board approval.

Recovery of Costs and Lost Revenues

58. The agreed upon budget amount includes Company O&M expenses, which shall not exceed $14.74 million. The Company will recover its actual reasonable and prudently incurred O&M expenses through its cost recovery filings.

59. The Parties also agree that the Company should be authorized to offer OBR financing in the amount of $71.7 million to program participants and recover the financing over time from these financing participants. As currently structured, the customer repayment periods for the OBR plans shall be five (5), seven (7), and ten (10) years, depending on the program and total OBR funds made available. ETG will retain the full OBR investment for any project where ETG is serving as the lead utility – that is, where work is commissioned on behalf of a Partner Utility who will ultimately pay for the EE measures installed. The Parties agree that the Company should be allowed to earn a return on the outstanding investment balance for financing expenditures where the Company is serving as the lead utility, through its revenue requirement and the administrative costs of providing financing consistent with the capital structure and ROE discussed below. In computing the return component of its costs, the Company shall, in addition to a reduction for the accumulated amortization of its investments, deduct the applicable deferred income taxes related to the amortization of program costs over a five (5)-year, seven (7)-year, and ten (10)-year period for book purposes and over one (1) year for tax purposes. The Company shall continue to calculate the

monthly net investment balances by subtracting from the monthly net investment balances the current month-end accumulated amortization balances.

60. ETG will earn a return on its net investment in Triennium 2 Programs based upon the rate of return ("ROR") utilized to set rates in the Company's most recent base rate case in Docket No. GR21121254. The weighted average cost of capital utilized to calculate the return on the unamortized portion of the program investments and to set rates will be 6.83%, or 8.78% on a pre-tax basis, which is the Company's ROR set in its last base rate case effective September 1, 2022 as shown in the table below.

	Percent of Total	**Cost Rate**	**Weighted Cost**
Long-Term Debt	48.0%	3.83%	1.84%
Common Equity	52.0%	9.60%	4.99%
Total	100.0%		6.83%

The Parties agree that any change in the ROR authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations.

61. The Parties further agree that the following expenditures will be collected from ETG ratepayers:

- Rebates/Direct Investments and associated return on these investments;
- Return on outstanding balance of OBR expenditures;
- O&M expenses; and
- OBR bad debt expenses.

62. The Parties further agree that ETG is authorized to utilize deferred accounting and recover all reasonably incurred costs associated with the total Direct Budget, the return on the Direct Budget Program investment and the OBR Program, and the associated cost recovery mechanism. Triennium 2 Program costs will be recovered through the Company's EEP Rider rate, as set forth in Rider "E" of the Company's tariff. Proposed tariff sheets are provided in Attachment 2 to the Stipulation. Consistent with cost recovery for Triennium 1, cost recovery will consist of two (2) parts. One part will allow the Company to earn a return on the investment and recover the amortization of the regulatory asset. The second part of the EEP Rider will recover incremental O&M expenses associated with the Triennium 2 Programs.

63. The initial EEP Rider rate for Triennium 2 will be $0.0102 per therm, inclusive of Sales and Use Tax, and will become effective January 1, 2025. As compared to rates in effect October 1, 2024, ETG's typical residential sales heating customer using 100 therms of gas per month, will see an increase in their monthly bill of $1.02 or 0.7%, from $145.83 to $146.85. A typical residential heating customer using 974.1 therms annually will see an increase in their annual bill of $9.94 or 0.7%, from $1,444.25 to $1,454.19.

64. The total cumulative increase over the thirteen-year recovery period, ending June 30, 2037 is estimated to be $448.76, for the typical residential gas heating customer using 974.1 therms annually. The maximum annual increase over the thirteen-year recovery period would occur in year three and it is estimated to be $25.13 or 1.7% over the prior year and an increase of $59.71 or 4.1% over the current annual bill of $1,444.25.

65. The Triennium 2 Program investments and operating costs shall be reconciled to actual recoveries from the EEP Rider rate in the Triennium 2 True-Up filings to be submitted in July of each year with rates proposed to become effective on October 1 of that year. Any federal or state benefits/grants, if applicable, received by the Company and associated with these programs shall be used to reduce the revenue requirement to be collected from customers.

66. The Company shall include in its annual EEP True-Up filings the Minimum Filing Requirements ("MFRs") as set forth in the May 2023 Order, July 2023 Order, and Attachment 3 to the Stipulation.

67. The Company shall provide in all future EEP True-Up filings the Rate Base/ROR/Expense presentation set forth in the same format as Schedule TK-1, which is set forth in Attachment 4 to the Stipulation and reflects the settlement revenue requirement.

68. ETG will amortize Triennium 2 Program investments over a ten (10)-year period on a straight-line basis.

69. ETG will continue to recover lost sales revenue resulting from the decrease in customer energy usage resulting from Triennium 2 Programs through its CIP Surcharge.

Triennium 3 Filing

70. The Parties anticipate that in 2026, the Company will file a petition seeking approval of a Triennium 3 program on or before a date to be set by the Board. In anticipation of that filing, the Parties agree that any filing will include the following:

    a. The Company agrees that, to include a more comprehensive set of data in its Triennium 3 petition, ETG will work with the other utilities, Staff, and Rate Counsel to develop the template reporting spreadsheet by June 30, 2025 using Attachment 5 to the Stipulation as a starting point. The Parties will schedule an initial meeting no later than December 15, 2024. Regardless of the reporting format, the Parties agree that all data will be made available in machine readable format with formulae intact, will be provided for all historical and forecasted years, will have clear units and, where appropriate, dollar years, and will use naming conventions that are common across utilities to the greatest extent possible to facilitate cross-utility comparisons. If the Parties are unable to agree upon the components of the template reporting spreadsheet by June 30, 2025, the Parties will submit, by July 15, 2025, their respective versions of the template reporting spreadsheet with supporting explanation to Staff for its consideration and decision as soon as practicable.

b. Consistent with the guidance from the May 2023 Order and July 2023 Order, the New Jersey Cost Test ("NJCT") should be updated prior to the start of each triennium through stakeholder input and Board approval, including the initial vetting of technical concepts by the NJCT and EM&V Committees. The Company will submit the results of the NJCT with its Triennium 3 filing consistent with the updated NJCT. Nonetheless, the Parties agree that the Company's workpapers supporting Triennium 3 NJCT results will include a separately identified item/column that includes, but is not limited to, the financial returns that are expected to arise from each individual energy efficiency program/measure.

c. The Company agrees that loan principal will not appear within the NJCT but any administrative cost passed on to customers of servicing those loans will.

d. The Company recognizes that the SWE has identified concerns regarding the level of savings from behavioral programs. ETG commits to coordinate with the EM&V Working Group to evaluate the cost-benefit of the Behavioral program in advance of the Triennium 3 filings. The Parties agree that the Triennium 3 framework issued by the Board may provide budget guidance regarding the behavioral programs based on documentable evidence demonstrating causal influence over achieved impacts, acceptable cost-to-achieve metrics, and cost-effectiveness of behavioral programming under the NJCT.

e. The Company agrees that incentive values proposed in its Triennium 3 petition will be filed together with clear information regarding how each incentive was calculated, its per unit savings values, and how it compares to similar incentives in other similar states.

71. The Company agrees to initiate discussion with the New Jersey Department of Banking and Insurance ("DOBI") on or before March 31, 2025 to determine DOBI's requirements, if any, for offering on bill financing at a rate other than zero in advance of the Triennium 3 filing. Once all requirements are understood by the Company, including those imposed by DOBI and those arising from other applicable laws and regulations, the Company agrees to schedule a joint meeting with all parties and all other gas and electric utilities by December 1, 2025 regarding the Company's understanding of the appliable laws and regulations concerning offering OBR for Triennium 3 at an interest rate other than zero. The Company reserves its right to determine to change its position on how financing may be offered, if at all, but will determine requirements to offer financing at a different interest rate. OBR may then be offered as part of the Company's Triennium 3 filings in accordance with the parameters set forth in any applicable Triennium 3 framework Order or Orders. The Company will copy and include Staff and Rate Counsel on all formal written communications with DOBI.

DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this matter, including the Petition, the Update, Stipulation, and comments received. The Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. The Board **FURTHER FINDS** that the Stipulation will benefit New Jersey's residents, energy users, and ratepayers and is consistent with the goals of the CEA and New Jersey's Energy Master Plan, as well as the requirements of the Board's Triennium 2 framework. The Board **FURTHER FINDS** that the

Stipulation will bolster New Jersey's clean energy workforce and will continue to improve the ability of low- and moderate-income customers to take advantage of EE programs, initiatives, and opportunities. Accordingly, the Board **HEREBY APPROVES** the attached Stipulation in its entirety and **HEREBY INCORPORATES** its terms and conditions as though fully set forth herein.

As such, the Board **HEREBY AUTHORIZES** ETG to recover the costs associated with the EE programs through Rider E. As a result of the Stipulation, a typical residential customer using 100 therms in a winter month would experience an initial increase in their monthly winter bill of $1.02 or 0.7%. The Board also **HEREBY AUTHORIZES** ETG to continue its previously approved gas CIP to account for lost revenue resulting from the potential decrease in customer energy usage.

The Board **HEREBY RATIFIES** the decisions made by Commissioner Abdou during the pendency of this proceeding for the reasons stated in her decisions and Orders.

The Board **HEREBY ORDERS** the Company to file the appropriate revised tariff sheets conforming to the terms of this Order by December 16, 2024.

The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

The effective date of this Order is October 30, 2024.

DATED: October 30, 2024

BOARD OF PUBLIC UTILITIES
BY:

CHRISTINE GUHL-SADOVY
PRESIDENT

DR. ZENON CHRISTODOULOU
COMMISSIONER

MICHAEL BANGE
COMMISSIONER

ATTEST:
SHERRI L. GOLDEN
SECRETARY

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 ELIZABETHTOWN GAS COMPANY FOR APPROVAL OF TRIENNIUM 2 CLEAN ENERGY PROGRAMS AND ASSOCIATED COST RECOVERY PURSUANT TO THE CLEAN ENERGY ACT

DOCKET NO. QO23120869

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October 16, 2024

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Re: In the Matter of the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act
BPU Docket No. QO23120869

Dear Secretary Golden:

Enclosed for filing in the above-referenced proceeding is a Stipulation executed by representatives of Elizabethtown Gas Company, the Staff of the Board of Public Utilities, the Division of Rate Counsel, New Jersey Large Energy Users Coalition and Energy Efficiency Alliance of New Jersey. It is respectfully requested that the Board consider the Stipulation at its next agenda meeting.

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

Sheree L. Kelly

Sheree L. Kelly

SLK:caj
Enclosures

cc: See attached Service List (with enclosures)

IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY FOR APPROVAL OF TRIENNIUM 2 CLEAN ENERGY PROGRAMS AND ASSOCIATED COST RECOVERY PURSUANT TO THE CLEAN ENERGY ACT
BPU DOCKET NO. QO23120869

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IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY FOR APPROVAL OF TRIENNIUM 2 CLEAN ENERGY PROGRAMS AND ASSOCIATED COST RECOVERY PURSUANT TO THE CLEAN ENERGY ACT
BPU DOCKET NO. QO23120869

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY FOR APPROVAL OF TRIENNIUM 2 CLEAN ENERGY PROGRAMS AND ASSOCIATED COST RECOVERY PURSUANT TO THE CLEAN ENERGY ACT	:	**STIPULATION OF SETTLEMENT** **BPU DOCKET NO. QO23120869**

APPEARANCES:

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Steven S. Goldenberg, Esq., Giordano, Halleran & Ciesla, P.C. for New Jersey Large Energy Users Coalition.

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES

It is hereby AGREED, by and between Elizabethtown Gas Company (“Elizabethtown,” “ETG,” or “Company”), the Staff of the New Jersey Board of Public Utilities (“Staff”), the New Jersey Division of Rate Counsel (“Rate Counsel”), the Energy Efficiency Alliance of New Jersey (“EEA-NJ”), and the New Jersey Large Energy Users Coalition (“NJLEUC”) (collectively, “Parties”) to execute this Stipulation of Settlement (“Stipulation”) resolving Elizabethtown’s petition in this docket and to join in recommending that the New Jersey Board of Public Utilities (“BPU” or “Board”) issue a Final Decision and Order approving this Stipulation.

BACKGROUND

1. Pursuant to the legislative authority set forth in the Regional Greenhouse Gas Initiative ("RGGI") Act, L. 2007, c. 340 ("RGGI Act"), by Order dated May 8, 2008, the Board authorized New Jersey's electric and gas public utilities to offer energy efficiency ("EE") and conservation programs on a regulated basis, provided that the respective utility file a petition and obtain BPU approval for such programs and the associated mechanism for program cost recovery.[1] By the May 2008 Order, the Board also established minimum filing requirements ("MFRs") that require the submission of certain information with each petition filed pursuant to the RGGI Act. The May 2008 Order also requires each utility to meet with Staff and Rate Counsel at least thirty (30) days prior to filing of a petition pursuant to the RGGI Act to discuss: (a) the nature of the program; (b) the program cost recovery mechanism to be proposed in the petition; and (c) the MFRs to be submitted along with the petition.

2. Pursuant to the Clean Energy Act, L. 2018, c. 17 ("CEA"), by Order dated June 10, 2020, the Board directed New Jersey's electric and gas utilities to establish EE and peak demand reduction ("PDR") programs.[2] By the June 2020 Framework Order, the Board revised the MFRs for EE filings and directed the State's electric and gas public utilities to file petitions proposing three (3)-year EE programs by September 25, 2020, for approval by the Board by May 1, 2021, and implementation beginning July 1, 2021 and concluding June 20, 2024 ("Triennium 1").

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[1] In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources, And Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. EO08030164, Order dated May 8, 2008 ("May 2008 Order").

[2] In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, Order dated June 10, 2020 ("June 2020 Framework Order").

3. On September 25, 2020, Elizabethtown filed a petition seeking approval of its Triennium 1 EE program. By Order dated April 7, 2021, the Board approved a Stipulation of Settlement authorizing Elizabethtown to implement its Triennium 1 program with a total program budget of $83.415 million including Operations & Maintenance ("O&M") expenses in an amount not to exceed $7.394 million.[3] By the April 2021 Order, the Board also approved the Company's implementation of a cost recovery mechanism which allows for a full return on its EE investment as a component of the Company's EEP Rider Rate and authorized ETG to implement a Conservation Incentive Program ("CIP)" to account for lost revenues due to the EEP.

4. By Orders dated May 24, 2023 and July 26, 2023, the Board set forth the framework for the second three (3)-year period of EE and conservation programs ("Triennium 2") and directed the State's public gas and electric utilities to propose EE programs for Triennium 2 on or before October 2, 2023.[4] Additionally, by the 2023 Framework Orders, the Board further revised the MFRs for EE filings.

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[3] In re the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs and In the Matter of the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program, BPU Docket Nos. QO19010040 and GO20090619, Order Adopting Stipulation dated April 7, 2021 ("April 2021 Order").

[4] In re the Implementation of P.L. 2018, c. 17, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150, Order Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs, Order dated May 24, 2023 ("May 2023 Framework Order") and In re the Implementation of P.L. 2018, c. 17, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150, Order Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs dated July 26, 2023 ("July 2023 Framework Order").

5. With respect to the instant petition, on August 29, 2023 and September 5, 2023, joint thirty (30)-day pre-filing meetings were conducted with Staff, Rate Counsel, and the other New Jersey utilities in accordance with the May 2008 Order.[5]

6. In addition, a meeting was conducted on September 14, 2023, with ETG, SJG, Staff, and Rate Counsel specifically in connection with this matter.

7. In accordance with the Board's January 25, 2023 Order approving the merger between South Jersey Industries, Inc., Elizabethtown's parent company, and Boardwalk Merger Sub, Inc., a subsidiary of IIF US Holding 2 LP, Elizabethtown agreed to coordinate with the BPU and the other New Jersey utilities to deliver cost effective EE programs in accordance with the CEA.[6] The Merger Order also included a commitment from Elizabethtown to consider how it can expand current offers and rebates to commercial and industrial ("C&I") customers and to work collaboratively with NJLEUC to explore EE and DR offerings beneficial to C&I customers. Accordingly, Elizabethtown met with NJLEUC and its members on August 25, 2023 to discuss the Company's proposed C&I programs and receive feedback from NJLEUC and its members.

8. By Order dated September 27, 2023, the Board retained jurisdiction for the EE Triennium 2 petitions, designated presiding commissioners for each filing, and extended the Triennium 2 filing deadline until December 1, 2023.[7]

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[5] The New Jersey utilities that participated in the thirty (30)-day meeting were the Company, Atlantic City Electric Company ("ACE"), Jersey Central Power & Light Company ("JCP&L"), New Jersey Natural Gas Company ("NJNG"), Public Service Electric and Gas Company ("PSE&G"), Rockland Electric Company ("RECO"), and South Jersey Gas Company ("SJG").

[6] In re the Merger of South Jersey Industries, Inc. and Boardwalk Merger Sub, Inc., BPU Docket No. GM22040270, Order on Stipulation of Settlement, Order dated January 25, 2023 ("Merger Order").

[7] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and

PROCEDURAL HISTORY

9. By Order dated October 25, 2023, the Board revised the Triennium 2 program period and delayed the start of Triennium 2 by six (6) months from July 1, 2024, to January 1, 2025.[8] By the October 2023 Order, the Board also updated the Triennium 2 energy savings targets for the Triennium 2 EE programs and ordered that Triennium 2 would be a thirty (30)-month period covering January 1, 2025 through June 30, 2027.

10. Under the RGGI Act, once a petition has been filed with the Board, Staff shall have thirty (30) days, commencing on the date the petition was filed, to determine whether the petition is administratively complete and to advise the corresponding utility in writing of any deficiency. Additionally, if Staff determines that the petition is not administratively complete, Staff shall set forth the deficiencies and the items required to remedy the deficiencies.

11. On December 26, 2023, Staff informed the Company via letter that it found the Petition to be administratively deficient with respect to the MFRs ("Deficiency Letter"). In response to the Deficiency Letter, the Company filed supplemental information on January 5, 2024 ("Supplemental Filing"). On January 12, 2024, Staff notified the Company that it reviewed the Petition for completeness and determined it to be administratively complete, thereby establishing the commencement of the Board's 180-day review period under N.J.S.A. 48:3-98.1 on January 5, 2024, with an expiration date of July 3, 2024.

Peak Demand Reduction Programs; In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Designating Commissioner, Setting Manner of Service, and Bar Dates, Order dated September 27, 2023 ("September 2023 Order").

[8] In re the Implementation of P.L. 2018, c. 17, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150, Order dated October 25, 2023 ("October 2023 Order"). The May 2023 Framework Order, July 2023 Framework Order, and October 2023 Order are collectively referred to as the "2023 Framework Orders."

12. By Order dated January 10, 2024, the Board designated Commissioner Marian Abdou as presiding Commissioner in this matter and extended the date for entities to file Motions seeking leave to intervene or participate.[9] NJLEUC and the EEA-NJ filed motions to intervene in this matter on December 7, 2023 and December 8, 2023, respectively. On December 8, 2023, ACE, JCP&L, NJNG, RECO, PSE&G, SJG, and Uplight, Inc. ("Uplight") each submitted motions to participate in the proceeding.

13. On December 14, 2024, Elizabethtown submitted a letter indicating that it had no opposition to the motions to participate filed by ACE, JCP&L, NJNG, RECO, PSE&G, SJG, and Uplight or to the intervention of NJLEUC and EEA-NJ. Rate Counsel submitted a letter on December 14, 2024 indicating that it did not oppose the participation of by ACE, JCP&L, NJNG, RECO, PSE&G, SJG, and Uplight or to the intervention of NJLEUC in the proceeding. Rate Counsel opposed the intervention of EEA-NJ in the proceeding, arguing that EEA-NJ failed to demonstrate a legally protected right sufficient to permit intervention; however, Rate Counsel did not object to granting EEA-NJ participant status. EEA-NJ responded to Rate Counsel's opposition by letter dated December 20, 2023, arguing that it should be granted intervenor status, as it would be substantially, specifically, and directly affected by the outcome of the case, and that its interest differed from those of any other party in the proceeding.

[9] In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs *et al.*, BPU Docket Nos. QO23030150, QO23120868, QO23120869, QO23120870, QO23120871, QO23120872, QO23120874, and QO23120875, Order dated January 10, 2024.

14. On February 26, 2024, Commissioner Abdou issued an Order on Motions to Intervene or Participate granting the motions to intervene for NJLEUC and EEA-NJ and the motions to participate for ACE, JCP&L, NJNG, RECO, PSE&G, SJG, and Uplight.[10]

15. On April 23, 2024, Commissioner Abdou issued an Order setting a procedural schedule and approving the Parties' Stipulation to Extend the 180-Day Period for the Board to issue a decision pursuant to N.J.S.A. 48:3-98.1 to October 15, 2024.[11]

16. Elizabethtown provided public notice of the Petition including the date, time, and place of public hearings, newspapers having a circulation within the Company's service territory and was served on the Clerks of the municipalities, the Clerks of the Board of County Commissioners, and the County Executives within the Company's service territory. Following Proper notice the Company held two (2) public hearings on the Petition on May 20, 2024. Several members of the public made statements at the public hearings, many of whom commented in support of the Petition. Three (3) members of the public provided oral comment during the 4:30 p.m. hearing. One commenter advocated for the promotion of hybrid systems for consumers. One commenter spoke about the importance of utilizing federal funding for energy efficiency and advocated for funding to help residents who choose energy efficiency measures. One commenter spoke about the economic damage that climate change can cause and the importance of tackling it. No members of the public provided oral comment during the 5:30 p.m. hearing. The Board's Secretary received written comments from the Geothermal Exchange Organization ("GeoExchange") dated June 5, 2024. GeoExchange indicated that it strongly

[10] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated February 26, 2024.

[11] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recover Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated April 23, 2024.

supports the proposed Triennium 2 program and encouraged the BPU to approve the filing, while also taking further steps to strengthen the geothermal (ground source) heat pump ("GHP") incentives for commercial EE participants.

17. During the course of settlement discussions, by Orders dated May 15, 2024 and June 4, 2024, Commissioner Abdou approved several requests for extensions of the deadline to file testimony in this matter and to suspend the procedural schedule to allow for further settlement discussions.[12]

18. On October 15, 2024, Commissioner Abdou issued an Order approving the Parties' Stipulation to Extend the 180-Day Period for the Board to issue a decision pursuant to N.J.S.A. 48:3-98.1 to October 31, 2024.[13]

ELIZABETHTOWN GAS EEP FILING

19. On December 1, 2023, ETG filed a petition with the Board proposing EE Programs, BD Programs, and DR Programs (collectively referred to as "Triennium 2 Programs") in accordance with the Triennium 2 Orders ("Petition"). In the Petition, the Company proposed to spend approximately $277.2 million (investment and expenses) on Triennium 2 Programs over a two-and-a-half (2.5) year period (January 1, 2025 through June 30, 2027). This amount included allocations to and from the electric distribution companies whose service territory overlaps with the service territory of Elizabethtown ("Partner Utilities"). The proposed

[12] In re Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated May 15, 2024; and In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated June 4, 2024.

[13] In re the Petition of Elizabethtown Gas Company for Approval of Triennium 2 Clean Energy Programs and Associated Cost Recover Pursuant to the Clean Energy Act, BPU Docket No. QO23120869, Order dated October 15, 2024.

programs and associated costs as originally proposed in the Petition are set forth in the table below:

Program	Proposed Budget (2.5 Year Program)
Whole Home	$22,358,485
Income Qualified	$31,081,504
Energy Efficient Products	$39,076,473
Behavioral	$2,480,127
Energy Solutions	$32,018,475
Prescriptive and Custom	$22,734,951
Direct Install	$51,401,612
Multifamily	$36,008,519
Next Generation Savings	$1,273,240
Building Decarbonization	$5,601,953
Demand Response	$1,185,649
Other Portfolio Costs	$1,675,000
Portfolio Total	**$246,895,988**
Net Partner Utility Transfers	**$30,338,333**
Total Budget	**$277,234,321**

20. In addition to approval of the plan to implement the Triennium 2 Programs, the Company requested approval for recovery of costs and lost revenues associated with the Programs. Specifically, Elizabethtown requested approval to recover the revenue requirement associated with the Triennium 2 Programs through the existing EEP Rider rate mechanism as set forth in Rider "E" of the Company's tariff. As previously approved, the proposed cost recovery mechanism consisted of two (2) parts. One part of the EEP Rider allows the Company to earn a return on the investment and recover the amortization of the regulatory asset. The Company proposed to continue to recover lost revenues from reduced natural gas sales associated with the Triennium 2 Programs through its current CIP mechanism.

21. The Company proposed a change to the EEP Rider rate effective January 1, 2025, coincident with the beginning of the effective date of the proposed Triennium 2 Programs. Additionally, consistent with its currently approved EEPs and EEP Rider cost recovery

mechanism, and as required by the Triennium 2 Orders, Elizabethtown proposed to continue to file with the Board, on an annual basis, a petition seeking to establish future EEP Rider rates and to adjust its EEP Rider rate to reflect over and under recoveries. Elizabethtown estimated that the initial monthly bill impact for a typical residential heating customer using 100 therms in a month will be an increase of $1.26, or 1.1% as compared to then-current rates, effective upon Board approval.

22. Based upon further discussions, the Parties have reached an agreement to enter into this stipulation of settlement ("Stipulation") finalizing the Triennium 2 Program and resolving all issues raised in or related to the Petition.

23. Specifically, based upon and subject to the terms and conditions set forth herein, the Parties **STIPULATE AND AGREE** as follows:

STIPULATED MATTERS

Triennium 2 Programs

24. The Parties agree that, subject to Board approval of this Stipulation, the Company may implement Triennium 2 Programs under the terms and conditions described herein for a term of two-and-one-half years commencing January 1, 2025 and ending June 30, 2027. Triennium 2 programs will include implementation, administration, and investment in eight (8) EE core programs. The EE core programs are comprised of four (4) residential, three (3) C&I, and one (1) multifamily program.

25. In addition to the programs above, the Company will also continue its workforce development ("WFD") program as required in the 2023 Framework Orders. The Company shall develop a WFD implementation plan, community benefits plan, and evaluation plan, including performance metrics, before or within Program Year 5 of Triennium 2. The Company shall actively seek input and recommendations from the EE WFD Working Group established by the

Board in the June 2020 Framework Order and through monthly EE stakeholder meetings to develop and enhance these plans prior to implementation in coordination with the other New Jersey utilities.

26. Upon receipt of any monies received by the utility as direct funding from a State or federal governmental entity for the Company's WFD program the Company agrees to reduce its WFD budget by the corresponding dollar amount.

27. Except as set forth below, the Company will not designate any funding in its WFD program toward wraparound services. Consistent with the May 2023 Framework Order and Triennium 1, the Company will work with State and federal agencies to seek any opportunity to receive grants or funding specifically for the provision of wraparound services that may be available to the Company, partner community-based organizations ("CBOs"), and/or participants of the Company's WFD program for wraparound services. To the extent that programs or funding are not available or funding is insufficient, the Company may utilize Triennium 2 WFD dollars to provide these services up to the lesser of $100,000 or 3% of its approved WFD budget and will coordinate with utilities having overlapping territory to minimize the costs to deliver these services. The utilities are encouraged to seek deeper coordination with CBOs for wraparound services in preparation for Triennium 3.

28. The Company will not utilize its WFD or O&M budget to provide contractors with WFD performance incentives.

29. WFD program funding shall not be utilized to provide training or development to the Company's own employees.

30. The Company agrees to withdraw its request to implement the following Triennium 2 Programs: Next Generation Savings, BD, and DR.

31. The Company agrees to withdraw its request to include the Comfort Partners Program as a component of its Income Qualified Program. The Comfort Partners Program will continue to be managed by the Board. The Company will continue to claim savings from the Comfort Partners Program towards its compliance with its quantitative performance indicators ("QPIs").

32. The Parties agree that the design for the Triennium 2 Programs shall be as described in the updated Elizabethtown Triennium 2 Program Plan which is Attachment 1 to this Stipulation and incorporated by reference. Attachment 1 is subject to modification as permitted by the 2023 Framework Orders or as otherwise approved by the Board.

33. The Parties anticipate that programs will continue to evolve. The Company shall continue to coordinate with the Division of Clean Energy and other utilities with whom the Company has overlapping service territories to achieve consistency where possible in the design and delivery of core programs. To the extent that the utilities jointly decide to implement programs differently than currently envisioned, the Company commits to implement – as permissible under law, this Stipulation, and within approved budgets – consistent elements of the core programs concurrently with all electric and gas utilities in the state as follows:

- Common forms for use by customers and contractors;
- Contractor requirements, open and competitive procurement protocols where feasible, and training; procurement protocols should include policies and practices (e.g., scoring systems) that encourage supplier diversity (including contractors and subcontractors) and contractor coaching/mentoring of diverse business enterprises;
- Customer and property eligibility requirements and processes, including alternative/automatic eligibility methods for low- to moderate-income customers (e.g., based on census tracts, environmental justice communities, Urban Enterprise Zones, etc.);

- Eligible measures;
- Incentive ranges;
- Incentive payment processes and timeframes;
- Customer and contractor engagement platforms;
- Data platforms and database sharing among program administrators, where appropriate; and
- Quality control standards and remediation policies.

To the extent the Company wishes to change programs in ways that conflict with this Stipulation, the Company will advise all parties to this Stipulation and seek to modify the Stipulation and obtain Board approval for those changes.

34. The Company agrees to contribute to the design and coordinate on the scope of a one-stop shop website, a platform to provide customers and contractors with a simple and easy-to-understand application process to participate in utility and State EE, BD, and DR programs. The Parties agree to work together to develop a project plan and timeline by June 30, 2025 to launch the website during Triennium 2 if feasible. Key project development milestones include, but are not limited to: initial design phase, development phase, testing and quality assurance, launch, and training. This initiative will be funded at a value not to exceed 1% of the Company's administrative budget.

35. Incentive structures associated with the core programs are described in Attachment 1 to this Stipulation, consistent with the 2023 Framework Orders, and include any additional updates to incentives that are agreed upon as part of this Stipulation.

36. The Parties agree that the Company is authorized to offer up to $71.7 million of principal in on-bill repayment ("OBR") to its customers, which will be repaid by the participants and shall not be charged to ratepayers. The Parties agree that financing shall continue to be offered at a 0% interest rate for the duration of Triennium 2. The Company intends to work with

the other utilities throughout implementation to continue to provide comparable financing offerings to customers and deliver similar access across the coordinated programs. The Company plans to make this financing option available for customers participating across the residential, multifamily, and C&I sector programs where qualifying measures involve a sizeable cost to the customer, including major appliances, HVAC, home retrofit and multifamily projects, small business direct install projects, C&I prescriptive and custom measures, and Energy Solutions projects. The Company agrees to coordinate with the other utilities on evaluation, measurement, and verification ("EM&V") studies to review the impact of financing offerings on program participation and identify potential modifications that may be implemented in future triennia.

37. The Parties acknowledge the important role played by rebates and incentive levels in customer adoption of EE measures and that the Parties have endeavored to identify a level of rebates and incentives that will allow utilities to achieve their required energy savings targets. During the Triennium 2 period, the Parties agree to revisit specific Triennium 2 EE Plan rebate/incentive levels if customer participation is inadequate or in excess of what is required to meet the Company's Triennium 2 savings targets and to adjust rebate/incentive levels to ensure that they facilitate appropriate customer participation that will allow the Company to meet its Triennium 2 energy savings targets. Any adjustments will be consistent with the requirements enumerated at page 19 of the May 2023 Framework Order, and any requests to increase a rebate or incentive in excess of the maximum incentive range which is shown as the "up to" amount in Appendix H of Attachment 1 to this Stipulation will require Staff's approval.

38. Customers in Elizabethtown's gas service territory who meet the criteria for the respective Triennium 2 offerings will be eligible to participate.

Triennium 2 Budget by Program

39. The Parties agree to the Triennium 2 budget as follows:

DIRECT BUDGET PROGRAM	TOTAL PROGRAM
BEHAVIORAL	$2,480,127
ENERGY EFFICIENT PRODUCTS	$18,505,953
WHOLE HOME	$6,505,745
INCOME QUALIFIED	$11,379,085
MULTIFAMILY	$22,072,257
PRESCRIPTIVE / CUSTOM	$15,050,199
DIRECT INSTALL	$32,064,830
ENERGY SOLUTIONS	$17,768,101
STATEWIDE COORDINATOR	$675,000
WORKFORCE DEVELOPMENT	$700,000
COMMUNITY OUTREACH	$300,000
TOTAL PROGRAMMATIC BUDGET	$127,501,297
NET TRANSFERS TO/FROM EDCS	$20,700,000
TOTAL DIRECT BUDGET	$148,201,297
*Includes $14.74 million of incremental O&M expenses	

40. The Parties agree that the total programmatic budget for the Triennium 2 period shall not exceed $127,501,297, which includes a not to exceed value of $14.74 million in O&M expenses.

41. The Parties also agree that the budget for net transfers in utility overlapping territories is approximately $20.7 million, resulting in a total direct budget of approximately $148.2 million. To the extent that the net transfer budget differs from the stipulated value, ETG will manage any overage or shortfall within the approved total direct budget. The Company shall coordinate the exchange of energy savings and costs with any utility whose service territory overlaps with the Company's service territory ("Partner Utility") consistent with the net transfer process previously employed in Triennium 1, as it may be revised from time to time. The Company also agrees to report its gross inflows and outflows of transfers, the details of which

will be determined by Staff, Rate Counsel, and the utilities via the group established by the Board in the June 2020 Framework Order to facilitate and resolve issues impacting the evaluation, measurement, and verification ("EM&V") of EE and PDR programs implemented pursuant to the CEA ("EM&V Working Group").

Triennium 2 Program Expenditures

42. The Parties agree that the total programmatic budget for the Triennium 2 Programs is $127,501,297, which includes investment and administrative expenses. Investments include all capital expenditures, direct incentives, incentive payment processing, program customer intake processing, direct marketing and outreach, health and safety, audit, installation labor, project quality assurance/quality control, administration and outside services for third-party program implementation, and evaluation, measurement, and verification ("EM&V"). The budget for investments includes amounts that are spent or committed during Triennium 2, amounts reserved to fund projects and incentives for customers who have enrolled in programs during Triennium 2, and program EM&V costs that extend beyond the thirty (30)-month period. The Parties also agree that Triennium 2 Program funds may be utilized for a project that was enrolled during Triennium 1 and completed in the Triennium 2 program cycle.

43. The Parties agree that, in order to have programs, vendors, and systems in place to begin delivery on January 1, 2025, program spending may commence upon Board approval of the Stipulation. All Triennium 2 expenditures will be filed with the Board and submitted for prudency review in annual cost recovery filings by way of Elizabethtown's annual cost recovery proceedings.

Budget Updates

44. The Company may shift the timing of investment spending between or among program years, programs, and sectors as necessary to provide flexibility in responding to market conditions and customer demand and to ensure the achievement of program targets during the term of the program in accordance with the limitations and procedures set forth in the 2023 Framework Orders:

- Elizabethtown may shift program budgets within or among the residential, C&I, multifamily, and other sectors. More specifically, within any 365-day period of time, ETG may shift its budgets between individual programs within the same sector up to and including 25% of the Company' total Triennium 2 budget with notification to Staff and Rate Counsel, greater than 25% and up to 50% with Staff approval, and greater than 50% with Board approval.
- Within any 365-day period of time, ETG may also shift budgets out of a sector up to and including 10% of the Company's total Triennium 2 budget with notification to Staff and Rate Counsel, greater than 10% and up to 20% with Staff approval, and greater than 20% with Board approval.
- Requests for budget adjustments within the 2.5-year Triennium 2 period necessitating Staff approval shall be submitted to Staff and Rate Counsel with a written description of, and rationale for, the proposed transfers, and shall be responded to within 30 days. Requests for budget transfers shall identify O&M spending associated with the

program(s). Transferred O&M spending shall not be used as investment. Rate Counsel may object within 30 days, in which case Staff shall review within 30 days of Rate Counsel's objection. If there is no response from Rate Counsel or Staff within 30 days of ETG's requests, those requests shall be deemed granted.

45. The Parties agree that the Company may petition the Board to carry over energy savings in excess of annual compliance goals, from Triennium 1 into Triennium 2 and from any Triennium 2 program year to another Triennium 2 program year, in excess of the parameters established by the 2023 Framework Orders. The Company shall notify Staff and Rate Counsel in its compliance reports the date of its waiver petition and the outcome.

46. The Parties agree that, for EE projects that commenced prior to Triennium 2 that require multiple years to complete, either between program cycles or within a program cycle, the Company will calculate energy savings based on the Technical Reference Manual ("TRM") in effect when the project commenced.

47. At the end of Triennium 1, the Company will provide a report to Staff and Rate Counsel detailing the committed and uncommitted funds left in the Triennium 1 budget, including any, and all, extensions. In the event that the Company expects to receive a return on equity ("ROE") reduction penalty as defined by the Triennium 2 Performance Incentive Mechanism, the Company may, upon notice to the Parties, utilize any Triennium funding, including the funding associated with the Triennium 1 Extension period, not expended or committed in Triennium 1. If the Company elects to utilize uncommitted budget dollars from Triennium 1, it will not be permitted to earn an incentive under the established Triennium 2 Performance Incentive Mechanism within the program year or years when Triennium 1 funding

is expended. During Triennium 2, when applicable, the Company will provide quarterly reports that demonstrate how the Triennium 1 funding was allocated among programs and spent. During Triennium 2, if the Company requests shifts in budget among programs and sectors, Triennium 1 funds will be reported separately in that request or notice.

Quantitative Performance Indicators

48. The table below includes the Company's proposed QPIs that will be used to track and evaluate the Company's performance in Triennium 2.

QPI	Description	Weight	Unit	Target – Program Total
1. Annual Energy Savings	Verified first year energy savings from measured completed in the given program year	30%	Source MMBtu	670,7125
2. Annual Demand Savings	Verified peak demand savings from measures completed in the given program year	10%	Peak MV or peak-day therm	4,419
3. Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year	20%	Source MMBtu	6,539,148
4. LMI and OBC Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year from LMI and OBC customers	10%	Source MMBtu	314,057
5. Small Business Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year for small business customers	10%	Source MMBtu	277,393
6. Cost to Achieve	Total EE portfolio costs divided by total portfolio verified lifetime energy savings	20%	Total EE Portfolio$/ Lifetime source MMBtu	17.53

49. QPI performance periods shall be those set forth in the 2023 Framework Orders. All energy savings from projects and measures from Triennium 1[14] and Triennium 2 programs, and Comfort Partners in the Company's territory completed after January 1, 2025 shall be reported separately in the Company's QPI performance measurement. For the purpose of

[14] *See* April 2021 Order.

determining the Company's compliance with the QPIs and achievement of the required energy savings targets, the TRM in effect as of January 1, 2025 shall be used during the term of Triennium 2, subject to any annual TRM updates or other relevant guidance adopted in the Triennium 2 Evaluation Framework, except as noted in Paragraph 51 of this Stipulation.

50. The Company will perform EM&V for the Triennium 2 Programs in accordance with the 2023 Framework Orders and any recommendations of the EM&V Working Group adopted by the Board, as well as for any additional energy savings claimed by the Company toward the annual energy savings QPI and Triennium 2 targets, subject to guidance adopted in the Triennium 2 Evaluation Framework. All Triennium 1 projects and measures completed after January 1, 2025 shall also be included in the Triennium 2 EM&V plan.

51. The Company acknowledges that the EM&V Working Group will update the Triennium 2 Evaluation Framework, as needed approaching the commencement and performance of Triennium 2, with key elements including, but not limited to: (1) an annual update to the Program Year TRM, (2) removal of the distinction between Category 1 and Category 2 program metrics, (3) evaluation of financing offers, (4) enhancements of data governance and disclosure, (5) submission of EM&V milestone plans, (6) assurance of evaluability of programs, and (7) modifications to quarterly reporting. Updates to the Triennium 2 Evaluation Framework will be presented for comments at monthly EE stakeholder meetings. The Company agrees to comply with any changes resulting from the updated Triennium 2 Evaluation Framework, the terms of which shall apply throughout the whole of Triennium 2.

52. The Company further appreciates the need for enhanced evaluation rigor and shall dedicate the appropriate EM&V resources to conduct joint utility program evaluations where

appropriate and to implement the EM&V implementation plans which will be developed in conjunction with New Jersey's Statewide Evaluator ("SWE") at the start of Triennium 2.

53. The Company shall continue to file required quarterly and annual reports and submit data regarding all the Triennium 2 programs, financing initiatives, and related expenses in accordance with the content, format, and timing dictated by the 2023 Framework Orders and any subsequent directives regarding the Triennium 2 programs from the Board, with any required adjustments from Triennium 1 to be developed by the EM&V Working Group.

54. The Parties agree that revised in-service rates, under performance of installed measures, changes in industry standard practices, building code updates, federal appliance standards, or other market events are some factors that could be reflected in the annual Program Year Update to the TRM. The TRM Committee will work collaboratively with the Company to ensure that TRM updates provide the Company with adequate time to adjust programmatic activities toward the achievement of performance targets. If a mutually agreeable outcome does not occur, the Company reserves the right to petition the Board for a waiver of the enforcement of any penalties in the event that the performance targets are not achieved as a result of such changes. All Parties reserve all rights to respond to any petition seeking a waiver of any penalties filed by the Company.

Customer Data and Data Sharing

55. Customer information shall be used by the Company to deliver an effective customer experience in compliance with applicable Board regulations and statutory obligations. The Company shall enforce privacy and data handling policies and procedures for the Triennium 2 Programs that are consistent with ETG's customer data security protections, the 2023 Framework Orders, and any applicable BPU regulations and statutory obligations. In the event

of any breach of the above confidentiality by an affiliate, ETG shall remediate such breach to the full extent required by law. In the event of any breach of the above confidentiality by a vendor hired to deliver the Triennium 2 Programs or to evaluate the programs, the Company commits to enforcing the contractual confidentiality requirement to the extent allowed by the law. Any "breach of security" with respect to customers' "personal information," as those terms are defined in N.J.S.A. 56:8-161, shall be treated in accordance with the New Jersey Identity Theft Prevention Act, N.J.S.A. 56:8-161 *et seq.*, and Section 3b of the Board's Cybersecurity Order of March 18, 2016.[15]

56. ETG agrees that customer-specific data belongs to the customer, who may request or authorize ETG to share it with suppliers, and that data gathered during the operation of these programs not specific to any customer belongs to the Company and shall be used solely to support current or future regulated utility programs, including EM&V work. Such data may not be used for other purposes without Board approval, except as noted in Paragraph 57 of this Stipulation. The Company will also submit non-customer-specific data to the Board in compliance with reporting requirements, as established by the Board. Customer-specific data may be shared with the Board or its contractors for the purposes of program evaluation after the execution of Non-Disclosure Agreements ("NDAs") and Company review and approval of the Board's and/or contractor's cyber and data security protocols.

57. The Parties also agree that ETG may use customer-specific data or program data from other BPU-approved utility programs for Triennium 2, and that other utility BPU approved programs may use data from Triennium 2. The Company will not share or use customer-specific

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[15] In re Utility Cyber Security Program Requirements, BPU Docket No. AO16030196, Order dated March 18, 2016.

data for non-utility-specific BPU programs. Such data may not be used for other purposes without Board approval.

Recovery of Costs and Lost Revenues

58. The agreed upon budget amount includes Company O&M expenses, which shall not exceed $14.74 million. The Company will recover its actual reasonable and prudently incurred O&M expenses through its cost recovery filings.

59. The Parties also agree that the Company should be authorized to offer OBR financing in the amount of $71.7 million to program participants and recover the financing over time from these financing participants. As currently structured, the customer repayment periods for the OBR plans shall be five (5), seven (7), and ten (10) years, depending on the program and total OBR funds made available. ETG will retain the full OBR investment for any project where ETG is serving as the lead utility – that is, where work is commissioned on behalf of a Partner Utility who will ultimately pay for the EE measures installed. The Parties agree that the Company should be allowed to earn a return on the outstanding investment balance for financing expenditures where the Company is serving as the lead utility, through its revenue requirement and the administrative costs of providing financing consistent with the capital structure and ROE discussed below. In computing the return component of its costs, the Company shall, in addition to a reduction for the accumulated amortization of its investments, deduct the applicable deferred income taxes related to the amortization of program costs over a five (5)-year, seven (7)-year, and ten (10)-year period for book purposes and over one (1) year for tax purposes. The Company shall continue to calculate the monthly net investment balances by subtracting from the monthly net investment balances the current month-end accumulated amortization balances.

60. Elizabethtown will earn a return on its net investment in Triennium 2 Programs based upon the rate of return ("ROR") utilized to set rates in the Company's most recent base rate case in Docket No. GR21121254. The weighted average cost of capital utilized to calculate the return on the unamortized portion of the program investments and to set rates will be 6.83%, or 8.78% on a pre-tax basis, which is the Company's ROR set in its last base rate case effective September 1, 2022 as shown in the table below.

	Percent of Total	**Cost Rate**	**Weighted Cost**
Long-Term Debt	48.0%	3.83%	1.84%
Common Equity	52.0%	9.60%	4.99%
Total	100.0%		6.83%

The Parties agree that any change in the ROR authorized by the Board in a subsequent base rate case will be reflected in the subsequent monthly revenue requirement calculations.

61. The Parties further agree that the following expenditures will be collected from ETG ratepayers:

- Rebates/Direct Investments and associated return on these investments;
- Return on outstanding balance of OBR expenditures;
- O&M expenses; and
- OBR bad debt expenses.

62. The Parties further agree that ETG is authorized to utilize deferred accounting and recover all reasonably incurred costs associated with the total Direct Budget, the return on the Direct Budget Program investment and the OBR Program, and the associated cost recovery mechanism. Triennium 2 Program costs will be recovered through the Company's EEP Rider

rate, as set forth in Rider "E" of the Company's tariff. Proposed Tariff Sheets are provided in Attachment 2 to this Stipulation. Consistent with cost recovery for Triennium 1, cost recovery will consist of two (2) parts. One part will allow the Company to earn a return on the investment and recover the amortization of the regulatory asset. The second part of the EEP Rider will recover incremental O&M expenses associated with the Triennium 2 Programs.

63. The initial EEP Rider rate for Triennium 2 will be $0.0102 per therm, inclusive of Sales and Use Tax, and will become effective January 1, 2025. As compared to rates in effect October 1, 2024, ETG's typical residential sales heating customer using 100 therms of gas per month, will see an increase in their monthly bill of $1.02 or 0.7%, from $145.83 to $146.85. A typical residential heating customer using 974.1 therms annually will see an increase in their annual bill of $9.94 or 0.7%, from $1,444.25 to $1,454.19.

64. The total cumulative increase over the thirteen-year recovery period, ending June 30, 2037 is estimated to be $448.76, for the typical residential gas heating customer using 974.1 therms annually. The maximum annual increase over the thirteen-year recovery period would occur in year three and it is estimated to be $25.13 or 1.7% over the prior year and an increase of $59.71 or 4.1% over the current annual bill of $1,444.25.

65. The Triennium 2 Program investments and operating costs shall be reconciled to actual recoveries from the EEP Rider rate in the Triennium 2 True-Up filings to be submitted in July of each year with rates proposed to become effective on October 1 of that year. Any federal or state benefits/grants, if applicable, received by the Company and associated with these programs shall be used to reduce the revenue requirement to be collected from customers.

66. The Company shall include in its annual EEP True-Up filings the Minimum Filing Requirements ("MFRs") as set forth in the 2023 Framework Orders and Attachment 3 to this Stipulation.

67. The Company shall provide in all future EEP True-Up filings the Rate Base/ROR/Expense presentation set forth in the same format as Schedule TK-1, which is set forth in Attachment 4 to this Stipulation and reflects the settlement revenue requirement.

68. Elizabethtown will amortize Triennium 2 Program investments over a ten (10)-year period on a straight-line basis.

69. Elizabethtown will continue to recover lost sales revenue resulting from the decrease in customer energy usage resulting from Triennium 2 Programs through its CIP Surcharge.

Triennium 3 Filing

70. The Parties anticipate that in 2026, the Company will file a petition seeking approval of a Triennium 3 program on or before a date to be set by the Board. In anticipation of that filing, the Parties agree that any filing will include the following:

a. The Company agrees that, to include a more comprehensive set of data in its Triennium 3 petition, ETG will work with the other utilities, Staff, and Rate Counsel to develop the template reporting spreadsheet by June 30, 2025 using Attachment 5 to this Stipulation as a starting point. The Parties will schedule an initial meeting no later than December 15, 2024. Regardless of the reporting format, the Parties agree that all data will be made available in machine readable format with formulae intact, will be provided for all historical and forecasted years, will have clear units and, where appropriate, dollar years, and will use naming conventions that are common across utilities to the greatest extent possible to facilitate cross-utility comparisons. If the Parties are unable to agree upon the components of the template reporting spreadsheet by June 30, 2025, the Parties will submit, by July 15, 2025, their respective versions of the template reporting spreadsheet with supporting explanation to Staff for its consideration and decision as soon as practicable.

b. Consistent with the guidance from the May 2023 Framework Order, the New Jersey Cost Test ("NJCT") should be updated prior to the start of each triennium through stakeholder input and Board approval, including the initial vetting of technical concepts by the NJCT and EM&V Committees. The Company will submit the results of the NJCT with its Triennium 3 filing consistent with the updated NJCT. Nonetheless, the Parties agree that the Company's workpapers supporting Triennium 3 NJCT results will include a separately identified item/column that includes, but is not limited to, the financial returns that are expected to arise from each individual energy efficiency program/measure.

c. The Company agrees that loan principal will not appear within the NJCT but any administrative cost passed on to customers of servicing those loans will.

d. The Company recognizes that the SWE has identified concerns regarding the level of savings from behavioral programs. ETG commits to coordinate with the EM&V Working Group to evaluate the cost-benefit of the Behavioral program in advance of the Triennium 3 filings. The Parties agree that the Triennium 3 framework issued by the Board may provide budget guidance regarding the behavioral programs based on documentable evidence demonstrating causal influence over achieved impacts, acceptable cost-to-achieve metrics, and cost-effectiveness of behavioral programming under the NJCT.

e. The Company agrees that incentive values proposed in its Triennium 3 petition will be filed together with clear information regarding how each incentive was calculated, its per unit savings values, and how it compares to similar incentives in other similar states.

71. The Company agrees to initiate discussion with the New Jersey Department of Banking and Insurance ("DOBI") on or before March 31, 2025 to determine DOBI's requirements, if any, for offering on bill financing at a rate other than zero in advance of the Triennium 3 filing. Once all requirements are understood by the Company, including those imposed by DOBI and those arising from other applicable laws and regulations, the Company agrees to schedule a joint meeting with all parties and all other gas and electric utilities by December 1, 2025 regarding the Company's understanding of the appliable laws and regulations concerning offering OBR for Triennium 3 at an interest rate other than zero. The Company reserves its right to determine to change its position on how financing may be offered, if at all, but will determine requirements to offer financing at a different interest rate. OBR may then be offered as part of the Company's Triennium 3 filings in accordance with the parameters set forth in any applicable Triennium 3 framework Order or Orders. The Company will copy and include Staff and Rate Counsel on all formal written communications with DOBI.

Further Provisions

72. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, in any applicable Order, then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

73. It is the intent of the Parties that the provisions hereof be approved by the Board as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

74. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

ELIZABETHTOWN GAS COMPANY

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By: ______________________
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Program Plan

ELIZABETHTOWN GAS

10/7/2024

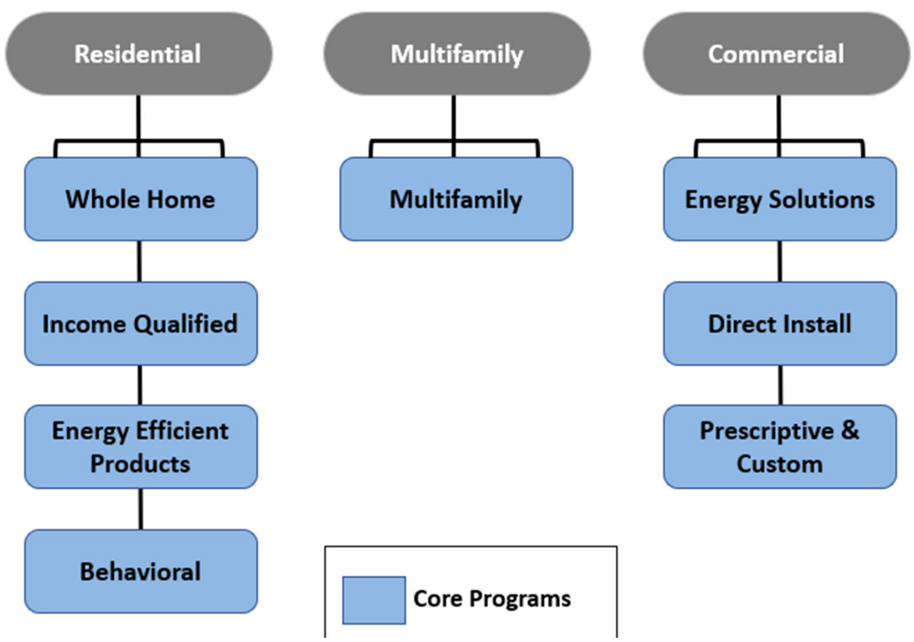
1.Table of Contents:

2. Introduction:

This Program Plan was developed to address Elizabethtown Gas Company ("Elizabethtown Gas") plan for the delivery of Energy Efficiency programs that Elizabethtown Gas proposes to offer for Triennium Two which will cover the thirty-month period from January 1, 2025 to June 30, 2027.

Due to the coordinated nature of the core energy efficiency programs, Elizabethtown Gas, along with the other New Jersey investor-owned utilities, have developed consistent Program Descriptions (MFR II.) that cover the program-specific MFRs (MFR II.a.i - II.a.vi) for all of the core programs. Accordingly, all of the information presented in Section 3a (Core Programs) is consistent information across all of the utility filings. Utility specific information regarding those programs, which aligns with the requirements of MFRs II.a.vii - II.a.x, is presented in the associated supporting Appendices, which match in format, but provide different information for each utility.

The graphic below demonstrates the organization of the programs. As discussed above, all programs noted in blue as core have consistent Program Descriptions within each utility's program plan.



In addition, some information contained in the Portfolio Information section (Section 4) is consistent, while the remaining subsections are utility specific. The following subsections contain consistent information across all of the utilities:

- 4e: Evaluation, Measurement and Verification (MFR VI.)
- 4f: Reporting Plan (MFR VIII.)
- 4g: Overburdened Community Standardization

Sections 4a-4d and Section 4h each present information specific to each utility. If provided, additional sections within Section 4 are utility specific.

Additionally, Section 5: Consistent Delivery in Overlapping Territories (MFR II.c.) is consistent among the utilities.

As noted above, all of the appendices are formatted similarly and in the same order. Appendix H: Incentive Ranges is formatted similarly but has some variation due to differences in utility specific program proposals.

3. Program Descriptions

3a. Core Programs

As discussed in the introduction, all core Program Descriptions (covering MFR II.a.i - II.a.vi) are consistent among each utility's Program Plan.

3a.i Residential Sector

The core Residential sector programs are described below and include:

- Whole Home
- Income Qualified
- Energy Efficient Products
- Behavioral

3a.i.1 Whole Home Program

Program Description (MFR II.a.i)

The Whole Home Program consists of two main components:

1. A home energy assessment
2. Incentives and financing options to encourage the customer to pursue the recommended upgrades

The home energy assessment is intended to provide residential customers with an understanding of opportunities to save energy. The home energy assessment will serve as a comprehensive review and may combine the direct installation of standard energy saving measures with the identification of a full range of potential additional opportunities. The assessment may include various diagnostic testing such as blower door testing and provide the option to have assessors install a smart thermostat during the visit.

The home energy assessment may be in person or may leverage videoconferencing software and therefore be virtual or hybrid. The home energy assessments may also target the identification of specific opportunities that may align with other utility programs, including those measures identified in Additional Utility-Led Initiatives.

All assessors will have the necessary qualifications, although these may vary based on the technical needs of the assessment type.

Utilities will strive to prescreen interested customers to determine if they appear to be eligible for the Income Qualified Program which can provide substantial energy efficiency improvements at no additional cost to participants. Customers that are identified as eligible for the Income Qualified program will be served directly through that program. However, the utilities recognize that this income eligibility may be determined at a later point and will work to ensure those customers move to treatment under that program to access the no-cost benefits.

During the visit, the assessor will perform a walk-through of the customer's home with the customer to identify opportunities to save energy. The assessors may identify health and safety issues observed and may perform more detailed diagnostic tests on the home. The program will offer energy education to participants to better understand usage patterns and practices, along with behavioral suggestions to improve the way they use energy in their home. The assessment will prioritize deeper energy saving opportunities such as weatherization and space heating over lower cost upgrades. Other opportunities for energy savings may also be offered including making referrals to other energy efficiency programs and for program opportunities based on the needs for that premise and the customer's interest in pursuing additional upgrades. This may also include directly proceeding to address weatherization needs and other opportunities, referring to trade allies who are able to support measures offered in other programs, including Additional Utility-Led Initiatives, or sharing information about the products and incentives available under other programs.

Although the program may provide a variety of types of assessment options and additional opportunities in order to best suit the varying needs of its customers, it will promote a holistic approach for customers to explore and invest in the efficiency and comfort of their homes. All participants in this program must have an initial home energy assessment. To ensure the upgrades are accessible to customers, there will be financing available to eligible customers through either an On-Bill Repayment ("OBR") or access to financing with similar terms. In addition, customers will be informed of relevant federal tax credits.

This program is designed to review the entire status of a home, including equipment and building envelope to achieve deeper energy savings.

Target Market or Segment (MFR II.a.ii)

The Whole Home program will be available to all single-family and single-family attached (1 to 4 unit properties)[1] electric and/or natural gas customers served by at least one of the participating investor-owned utilities in New Jersey. Utilities will focus marketing efforts on homes that may have a greater opportunity for energy savings, including both annual and lifetime energy savings. The program will seek to use metered data to target homes where there is potential to save 20% and more in energy.

Standard energy efficiency measures installed during that visit may include but not be limited to LED bulbs, energy and water saving showerheads, kitchen faucet aerators, bathroom faucet aerators, gaskets, power strips and other energy saving measures. All participants will receive a report that outlines the findings during the appointment and summarizes the measures received, the recommendations made, and the incentives available.

In addition, some utilities may implement an online portal for contractors for cases where the assessments do not directly identify a specific scope of work. Should the customer choose, their assessment can be posted on their lead utility's contractor portal. This portal allows contractors to view customers' assessments and provide an estimate on recommended upgrades and provides customers easy access to participating contractors.

Potential measures incentivized through this program include but are not limited to insulation, air sealing, smart thermostats, HVAC, and water heating. If the customer proceeds with follow-up work within this Whole Home program, the scope of work is required to include air sealing and any necessary building envelope improvements (e.g. insulation) and any required health and safety repairs.

Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)

The utilities will provide the home energy assessment to their interested customers; utilities may provide the home energy assessment at no additional cost or for a fee, which may be discounted for certain customers or for promotional periods to drive activity. The home energy assessment may include the direct installation of standard energy efficiency measures that are appropriate for their home. Participating customers may also benefit from receiving energy efficiency conservation tips, recommendations for additional opportunities and referrals to other energy efficiency programs based upon the opportunities identified for their home.

Utilities will provide incentives to encourage customers to implement the measures recommended during their assessment. Incentives will be designed to optimize participation through the program and facilitate an easy participation process. The utilities may also provide incentives to contractors related to job completion.

Refer to Appendix H for the Summary of the Existing and Proposed Incentive Ranges for this program. The utilities and/or third-party implementation contractors will strive to complete consumer or contractor payments within 60 days following completion of contractor work, submission of complete and required paperwork, and completion of program requirements such as necessary field inspections (if required).

Customer Financing Options (MFR II.a.v)

There is no need for a financing component for the home energy assessment. OBR or access to financing with similar terms will be available to eligible customers for recommended measures installed.

Refer to Section 4h of this Program Plan for the Summary of Proposed Financing for the comprehensive solutions pursued under this program.

Contractor Requirements & Role (MFR II.a.vi)

The utilities will administer and oversee this program and may select a third-party implementation contractor to manage delivery of this program. Customers who are already working with an approved Whole Home contractor can have the home energy assessment performed directly by that contractor.

The utilities' staff and/or their implementers will oversee all aspects of the program, including training, engagement, and QA/QC. There will be a significant focus on developing, training and growing a qualified trade ally network. This will include trade ally training sessions, workshops, and opportunities to become approved contractors and participate in Utility-led workforce development initiatives. Utility staff and/or third-party implementation contractors may maintain a close relationship with trade allies to ensure consistent program delivery experience and high customer satisfaction.

Trade allies will consist of companies employing trained professionals to complete whole home and a wide range of energy-saving projects. In order to facilitate trade ally access to participants, utilities or the third-party implementation contractor will maintain a list of companies and professional services where customers can find local trade allies based on geography and other criteria.

The utilities will encourage all participating trade allies to also look for opportunities to promote measures from the Residential Efficient Products program, such as home appliances (e.g., clothes washers) and other Utility Programs to increase energy savings and leverage those incentives. Contractor outreach and training will also include information on the availability of financing and tax credits.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3a.i.2 Income Qualified Program

Program Description (MFR II.a.i)

The Income-Qualified Program provides an opportunity for and moderate-income customers to receive energy efficiency measures and upgrades at no cost to participate.

As a part of this program, eligible customers will have a comprehensive energy assessment of their home, which may include direct install measures (such as showerheads, faucet aerators, LED bulbs, power strips, etc.) and/or weatherization measures (insulation, air sealing and duct sealing), and energy education. Customers may also be eligible to receive installation, repairs or replacement of water heating, heating and/or cooling systems. Health and safety measures may also be addressed to enable energy efficiency improvements.

During the assessment, in addition to the installation of measures, the program will offer energy education to better understand participants' usage patterns and practices, along with behavioral suggestions to improve the way they use energy in their home. The assessment may include various diagnostic testing such as blower door testing. Based on the assessment recommendations, the participant may also be given the opportunity for additional building envelope measures (such as air sealing and building insulation) to be installed. The assessment will prioritize deeper energy saving opportunities such as weatherization and space heating over lower cost upgrades.

The home energy assessment may also target the identification of specific opportunities that may align with other utility programs, including those measures identified in Additional Utility-Led Initiatives.

Target Market or Segment (MFR II.a.ii)

The Income-Qualified Program will be available to income-qualified customers served by at least one investor-owned utility in New Jersey. Eligibility for these enhanced incentives may be determined based on screening an individual customer, categorical eligibility for moderate-income customers, or special screening if the physical location is within the boundaries of a Low or Moderate census tract, an Overburdened Community ("OBC"), or any other agreed upon designation by the Board. Please refer to Section 4g of this Program Plan for more information on special treatment for OBC customers. Qualifying guidelines may be adjusted based on updates to federal or state guidelines. Utilities will focus marketing efforts on homes that may have a greater opportunity for energy savings, including both annual and lifetime energy savings. Where possible, the program will seek to use metered data to target homes where there is potential to save 20% and more in energy.

In addition to single family dwellings, the Income Qualified Program can serve multifamily buildings between 2-8 units. Furthermore, all 9 unit or larger multifamily buildings will be directed to the Utilities' multifamily program.

Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)

The customer may receive no-cost energy efficiency measures and upgrades with a per project guideline and health and safety expense protocol. The program may include design components that provide benefits to low-income customers where participation or services are deferred by the NJ Comfort Partners Program. Refer to Appendix H for the Summary of Proposed Incentive Ranges for this program.
The utilities and/or the third-party implementation contractors will strive to complete contractor payments within 60 days following completion of contractor work, submission of complete and required paperwork, and completion of program requirements, such as necessary field inspections (if required).

Customer Financing Options (MFR II.a.v)

All services provided under this program are at no cost to the customer to participate, so financing is not relevant.

Contractor Requirements & Role (MFR II.a.vi)

Utility staff and/or third-party implementation contractors will oversee all aspects of the program, including contractor training and engagement, quality assurance and fulfillment of program services. Contractor outreach and training will include information on other Utility programs, as well as the availability of financing and tax credits. The home energy assessment and efficiency improvements will be conducted by utility staff, third-party implementation contractors and/or program contractors. The utilities and/or third-party implementation contractors will oversee their staff and subcontractors and engage contractors to educate them on the program benefits to reliably complete the home assessments and install energy efficient equipment and improvements for participating customers. The utilities and/or third-party implementation contractors will also verify the eligibility of customers and will maintain a close relationship with contractors to ensure a consistent program delivery experience.
Contractors will consist of companies employing qualified professionals who are able to complete assessments and energy-saving projects.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3a.i.3 Energy Efficient Products Program

Program Description (MFR II.a.i)

This program will promote the installation/replacement of energy efficient electric and natural gas equipment by residential customers by offering a broad range of energy efficient equipment and appliances through a variety of channels, which may include an online marketplace, downstream rebates to customers (including but not limited to in-store or online, and up-front rebates, reduced point of sale costs), a midstream or upstream component and a network of trade allies. These sales channels may also be leveraged to promote Additional Utility-Led Initiatives. may provide incentives for energy efficient heating and cooling equipment, water heating equipment, appliances, smart thermostats, as well as other energy efficiency products and for appliance recycling. On-bill repayment or access to financing with similar terms will be available for select products.

The program may:

- Provide incentives for products that reduce energy use in the home and information about other programs that encourage the installation of high efficiency equipment. Provide upstream and/or midstream incentives to retailers and/or distributors.
- Continue to support and/or provide downstream approaches for certain measures.
- Provide online or other channels for customers that include but are not limited to online and in-store eligibility options to acquire select energy efficient products.
- Ensure the participation process is clear, easy to understand and simple for the customer and contractor.
- Recognize unique barriers that income-qualified customers face and employ strategies to address those barriers, including no cost measures and/or enhanced incentives where appropriate.
- Encourage customers to recycle inefficient appliances.

This program will increase adoption of energy efficient equipment and products by harnessing the unique utility-customer relationship to positively impact the entire sales process surrounding efficient equipment, from customer education and awareness, engagement with trade ally contractors and equipment distributors and retailers, to on-bill repayment or access to financing with similar terms for select products.

Utility staff and/or a third-party implementation contractor(s) may assist with the administration, oversight and delivery of the program. Activities may include efforts to raise awareness of the program, ongoing refinements to the list of eligible measures, validating customer eligibility and processing incentives and conducting outreach to and securing partnerships with retailers, wholesalers, distributors, manufacturers and trade allies to ensure all customers are able to easily purchase energy efficient products and equipment through the program. Customer engagement and sales channels may include:

- **Post-Purchase (Downstream) Rebates**: Rebates made available to customers after they have made their purchase. Applications may be available online or in stores to submit either electronically or in hard copy with proof-of-purchase.
- **Midstream or Upstream Rebates:** The utilities may pursue a midstream or upstream rebate component to encourage the purchase of certain efficient equipment. The utilities may work with retail partners (such as Home Depot, Lowes, etc.), distributors or manufacturers to ensure that measures are available throughout the state.
- **Point of Sale Rebates**: Prescriptive rebates made available at the point of sale for select products.
- **Online Marketplace:** The online marketplace is an easy-to-use source for the purchase of efficient products and services. Participants can browse energy efficient equipment and appliances and purchase through the marketplace which will offer instant rebates. The marketplace may also include non-incentivized items that can help drive traffic, increase uptake in incentivized measures, and expose customers to other utility and/or state offered clean energy programs.
- **Appliance Recycling:** Rebates will be provided to customers for recycling qualifying, inefficient, operating appliances[1]. Offering an incentive for the drop off or pick-up and removal of an appliance prevents the appliance from being maintained as a second unit or transferred to another customer. In addition, periodic events may be offered at centralized drop off locations where customers can drop off qualified inefficient operating appliances. The program may also target appliance retailers for participation or offer bulk appliance recycling.
- **Trade Allies:** A network of trade allies created to promote the program. The trade ally network may consist of qualified installation contractors, plumbers, electricians and other trade service professionals who meet all applicable statewide requirements for performing the respective service (e.g., HVAC license, insurance requirements). Trade allies will be able to leverage the program and offer customers rebates through their normal course of business.
- **Efficient Product Kits:** Kits to introduce and promote energy efficiency technologies with high in-service rates that can be easily installed in a customers' home. Similar to the Online Marketplace, the kits can act as a gateway to other programs by including energy efficiency and conservation education and promotional materials for other program opportunities. Where appropriate, the utilities may partner with foodbanks, schools, and community organizations, and participate in energy assistance outreach events to offer the kits. Kits may be requested or physically picked up by the customer. No unsolicited kits will be sent to new or existing customers.

Regardless of the delivery mechanism, the utilities will take steps to ensure customers are made aware of utility engagement in helping to offset upfront costs of the efficient products, including relevant federal tax credits.

Target Market or Segment

Target Market or Segment (MFR II.a.ii)

The target market for this program will be all electric and/or natural gas customers served by at least one investor-owned utility in New Jersey. The program focuses on promoting the sale and installation of efficient electric and natural gas equipment across all major residential end-use categories, and can be easily promoted to program allies, trade allies and customers via rebates. Examples of technologies incentivized through this program include heating/cooling equipment, water heating equipment, electronics, appliances, smart thermostats, water saving measures, weatherization items, pre-packaged kits, and other efficient products. The program will also promote the retirement, recycling, and replacement of old refrigerators, freezers, and other inefficient appliances.

The utilities may offer enhanced incentives for Low-to-Moderate income ("LMI") customers. Eligibility for these enhanced incentives may be determined based on screening an individual customer, categorical eligibility (which may vary for low- and moderate-income customers), or special screening if the physical location is within the boundaries of a low-income or moderate-income census tract, an Overburdened Community ("OBC"), or any other agreed upon designation by the Board. Please refer to section 4g of this Program Plan, for more information on special treatment for OBC customers. Qualifying guidelines may be adjusted based on updates to federal or state guidelines.

<u>Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)</u>

The utilities propose to provide a range of incentives depending on the measure, subject to changes based upon customer response and marketplace changes over the plan period. Incentives will vary depending on the specific product, the incremental cost of the high-efficiency technology and the product maturity in the marketplace. Refer to Appendix H, for the Summary of Existing and Proposed Incentive Ranges for this program.

Incentives will be available in several ways. Strategies may include:

- Mail-in applications available from the retailer, the program website, or directly from contractors;
- Online rebate forms;
- Point of Sale, Marketplace or In-store at the time of purchase;
- Special sale events in retail stores;
- Manufacturer buy down to retailer;
- Midstream or upstream incentives to retailers, distributors or manufacturers; and
- Partnerships with community groups, schools, and/or non-profit organizations.

In instances where incentives are not immediate, the utilities will strive to complete consumer or contractor payments within 60 days following completion of contractor work, submission of complete and required paperwork, and completion of program requirements, such as necessary field inspections (if required).

<u>Customer Financing Options (MFR II.a.v)</u>

On-Bill Repayment (OBR) or access to financing with similar terms will be available to eligible customers for select measures.

Refer to Section 4h of this Program Plan, for the Summary of Proposed Financing for this program.

Contractor Requirements & Role (MFR II.a.vi)

The utilities and/or third-party implementation contractors will be responsible for identifying and engaging retail and wholesale entities dealing in energy efficient equipment to on-board them with the program vision, eligible efficient products, rebates, and ways to participate. Additionally, the utility and/or third-party implementation contractors may engage trade allies, including local HVAC, electrical, plumbing and other contractors to educate them on program benefits and build a trade ally network which will install energy efficient equipment for participating customers. The electric utility and/or third-party implementation contractors may engage with transportation services to pick-up and provide recycling services for old, working appliances. The utility and/or third-party implementation contractors will also monitor participation to assess the effectiveness of outreach efforts, incentive levels, delivery methods and both program ally and trade ally availability. The utility and/or third-party implementation contractors will be responsible for the management of the online marketplace.

By allowing participants to select a trade ally they are comfortable with for select products, the program reduces barriers to entry related to knowledge of energy efficiency confidence in assessments and measure installation. The utilities will perform customer satisfaction and other quality assurance and quality control activities to monitor, and verify that quality standards are met.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3a.i.4 Behavioral Program

Program Description (MFR II.a.i)

The Residential Behavioral program educates and provides customers with easy-to-understand information about their energy use, the usage of their peers and suggested actionable steps to generate awareness and motivate customers to achieve energy savings through behavioral changes and engagement with other energy efficiency programs. Direct mailed and/or electronic home energy reports ("HERs" and "eHERs" collectively) will be the cornerstone of the program and will provide participants with customized, easy to implement action steps and recommendations to reduce energy consumption and support behavior modification for improved energy efficiency. The HERs will present participants with a view of their historical energy consumption compared to peer group customers. Depending upon the availability of metering data and their program design, the utilities may issue usage and/or other bill alerts by email or other means.

The program may also offer an internet-based home energy self-audit to all residential customers. This audit assists customers to better understand their energy usage and opportunities for energy savings.

An online portal may be used to provide customers with usage information, recommendations, tips, and links to other available energy-efficiency programs. The utilities may utilize the information gathered from various program offerings to not only gain a better understanding of the residential customer base, but also assist in making smart decisions moving forward with the energy-efficiency programs.

The utilities may share other energy efficiency program participation information with their respective Behavioral vendor. Incorporating participation feedback into the program on a prospective basis can improve the customer experience and potentially lead to higher engagement (e.g., build higher confidence in relevance of energy saving advice) and participation in other energy saving programs.

Target Market or Segment (MFR II.a.ii)

The program will provide HERs to residential customers to whom sufficient usage data is available and the vendor can cost effectively provide the service and maintain an appropriate control group. This number will be reviewed periodically and may be modified to enhance cost-effective energy savings. The online energy audit may be available to all residential customers per utility. The HERs and online audit may offer tailored recommendations to reduce their energy consumption.

The program targets residential customers potentially including market rate, low and moderate income, and multifamily customers. These customers receive customized energy saving tips and other program opportunities available to them including income-qualified programs.

Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)

There is no cost to participate for customers. Customer incentives to increase engagement may be explored by some Utilities.

Customer Financing Options (MFR II.a.v)

Since there is no cost for participating customers, there is no need for a financing component.

Contractor Requirements & Roles (MFR II.a.vi)

The utilities will utilize a third-party provider and/or utility staff to provide the services under this program. The utilities' HER vendors will distribute HERs to residential customers at no charge to the participants. Customers will also have access to online functionality provided under the program that all customers can easily utilize to update their profile, see additional tips on how to save energy, complete the online audit tool, and review their usage over a period of time.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3.a.ii Commercial & Industrial Sector

The core Commercial & Industrial sector programs are described below and include:

- Energy Solutions
- Prescriptive & Custom
- Direct Install

3.a.ii.1 Energy Solutions Program

Program Description (MFR II.a.i)

The Energy Solutions program is designed to address the needs of commercial or industrial customers that are interested in comprehensive energy efficiency solutions. This program recognizes that a broad range of approaches is needed to help commercial and industrial customers identify, develop and complete multiple measures to comprehensive projects to save energy and meet other business objectives based on their unique circumstances. Accordingly, this program will include three distinct pathways to help the customers assess their opportunities, provide financial incentives, and provide technical assistance services to encourage and support them to take actions. These three pathways include:

1. Engineered Solutions Tier 1 will provide tailored comprehensive energy-efficiency support on projects that require significant auditing, technical support and engineering work. Incentives will be offered to encourage these customers to invest in energy efficiency. Engineered Solutions Tier 1 will provide guided consultative service throughout delivery to support customers in identifying and undertaking large energy-efficiency projects, while requiring no up-front funding from the customer.

   Through Tier 1, customers will be provided with an in-depth audit of their facilities as well as a detailed assessment and recommendation of energy-efficiency measures that could be economically installed. Customer incentives are determined on a project-by-project basis. In addition to the calculated project-by-project incentive, participants will have the option to pay back the non-incentive portion of the project costs through a repayment plan. Through this pathway, larger participants in market segments that have typically been underserved, such as but not limited to Municipal, University, School, and Hospital (“MUSH”) customers, are able to achieve greater energy savings.

2. The Engineered Solutions Tier 2 pathway will provide tailored energy-efficiency assistance to commercial and industrial customers in identifying and undertaking larger energy-efficiency projects.

   Through Tier 2, customers may be provided with an in-depth audit of their facilities to identify cost effective energy-efficiency measures that could be economically installed. Customers would also have the option of using contractors who are familiar with the facilities to initiate projects. Under Tier 2, customers have the option to utilize their own engineering & installation contractors. This program will also be open to approved trade allies that meet the program participation requirements. Utilities or their implementor will complete a detailed review of the project to ensure it meets program requirements. In addition to the calculated project-by-project incentive, participants will have the option to pay back the non-incentive portion of the project costs through a repayment plan.

Tailored assistance services may include audits and additional technical support which will be made available and included in the project cost on an as needed basis.

3. The Energy Management pathway will target energy savings for existing commercial and industrial facilities by providing a holistic approach to improving building energy performance through maintenance, tune-up, retro-commissioning, monitoring based commissioning, and virtual commissioning services and through the implementation of energy savings measures and strategies that improve the overall operation and energy performance of buildings and building systems. Strategic energy management engagement may be utilized to establish on-going relationships with customers that can be leveraged to introduce other applicable energy efficiency programs in order to achieve more energy savings for the customer. This pathway complements the Prescriptive and Custom program and the other pathways within this program which targets capital equipment replacement or process improvement investments by improving the energy performance of a building through maintenance, tune-up, adjustment, and optimization of the systems within the building and the implementation of complementary energy savings measures. This pathway supports ongoing building energy performance by using retro-commissioning and strategic energy management strategies, which supports continued energy performance. By implementing these measures, customers also receive ancillary benefits, including improved occupant comfort, lower maintenance costs and extended equipment life. This pathway includes focus on specific energy efficiency measures and management practices that can be categorized as follows:

Building Operations

Building Operations measures provide multiple services for a customer to implement building tune-up and maintenance services. These measures are designed to focus on midsize commercial and industrial customers and include the following:

- HVAC Tune-Up: Provides for a tune-up of HVAC systems and includes but is not limited to the following services;
    - Refrigeration charge correction (if needed);
    - Cleaning evaporator and condenser coils;
    - Filter changes;
    - Boiler Tune-Up
    - Furnace Tune-Up
    - Verification of proper operation of fans and motors; and
    - Other minor repairs to refrigerant lines and coils.
- Building Tune-Up: Provides a path for customers to implement a Building Tune-Up that will focus on the adjustment and calibration of building systems and controls, diagnostic testing, and the installation of other complementary measures that enhance building energy performance and

savings. Also includes application of controls to optimize operation of building systems, and building operation training for applicable personnel.

Retro-Commissioning

Retro-Commissioning ("RCx") measures provide a comprehensive assessment of a customer's commercial/industrial building by using a prescribed planning process that includes a building audit, development of an action plan for the building and development of a Measurement and Verification ("M&V") plan to ensure the optimum ongoing performance of the building and building systems. The comprehensive assessment of a commercial/industrial building using a prescribed planning and implementation process will include:

1. Audit Phase – Customer confirms intent to participate in the pathway and registers with one of the utilities. Customer and/or the customer's consultant completes the required level of an American Society of Heating, Refrigerating, and Air Conditioning Engineers ("ASHRAE") audit based on the complexity of the facility and, develops a retro-commissioning implementation plan, including project timelines and plan to implement audit-identified operation and maintenance measures. There may be opportunities to complete this phase without a full ASHRAE-level audit.
2. Setup Phase - Contracted services to implement the plan are verified, long-term monitoring and reporting is developed and initiated, and a project plan is implemented by the customer.
3. M&V Phase - Savings verification and rebate payment from implementation of the plan is completed.

Typical RCx services include, but are not limited to:

- Optimizing chiller and boiler operations to better match building load conditions;
- Reducing ventilation in over-ventilated areas;
- Fixing ventilation dampers that are open when they should be closed or vice versa;
- Decreasing supply air pressure setpoint and system rebalancing;
- Aligning zone temperature setpoints to match the building's actual operating schedule; and

Monitoring Based Commissioning (MBCx)

Monitoring-Based Commissioning (MBCx) offers monitoring software paired with a building's energy management system to identify energy savings opportunities and optimize building performance and energy efficiency. Contracted services will alert the customer when equipment is not operating as expected using fault parameters and will work with the customer to correct ongoing issues and make improvements wherever possible. Planning and implementation typically includes, but is not limited to;

1. Assessment and qualification of a building energy management system. Assess utility bills and facility to recognize potential for energy savings.
2. Customer agrees to have contracted services utilize eligible software with diagnostics and other functionality through a monitoring service contract.
3. Monitoring-based Commissioning (MBCx) is designed to:

    - Maximize potential incentives with a deeper dive into a building's overall performance
    - Monitor and identify cost savings opportunities
    - Benefit from a continuous process to improve comfort and optimize energy usage
    - Maximize the operational efficiency of buildings

Virtual Commissioning (VCx)

VCx provides eligible customers with an initial analysis of their building's energy performance by using interval meter and or advanced metering infrastructure (AMI) usage data, and modeling to identify and recommend potential energy efficiency measures and behavioral and/or operational changes to improve a building's overall energy performance. A unique benefit of VCx is the ability to perform analytical prospecting and target customers remotely using data driven analysis, modelling and/or artificial intelligence (AI). Targeted customers are engaged, and individually reviewed to verify the opportunity, develop customized recommendations, and quantify savings potential. The analysis can also foster participation in the utility's other programs by identifying and encouraging customers to implement other energy efficiency opportunities. The VCx process can also utilize benchmarking and peer comparison metrics to help determine energy performance to identify facilities that are underperforming. This offering uses continuous engagement, monitoring, reporting and periodic reviews of customer's energy usage to ensure that implemented measures or changes have been successfully completed.

Strategic Energy Management

The Strategic Energy Management ("SEM") component of this program is designed to optimize energy consumption for larger C&I customers through long-term management of major energy using systems. SEM provides a holistic approach that is focused on management of existing systems and processes (including behavior), as well as tracking and benchmarking performance to identify and evaluate energy optimization efforts. SEM is a long-term effort typically focused on developing and executing an energy management strategy. This strategy is formulated through a series of site and/or remote visits and interviews with building owners and staff to specifically develop a Strategic Energy Management Plan ("SEMP") for the customer's facility. The SEMP will be reviewed with the customer by the utility and/or its third-party implementation contractor on a scheduled basis. This plan may include:

- Revisions or improvements to an existing Building Automation System or the addition and initiation of the use of a Building Automation System to monitor and control the buildings components and systems. The implementation or improvements to a system or the review of an existing system can include the proper training for building operators to achieve maximum efficiency.
- Development of a maintenance plan for existing building components and/or systems to identify best practices in building performance and an interactive monitoring of system components by both staff and sponsoring utilities.
- Ongoing engagement to track energy usage and performance, assist with planning energy efficiency projects and interact with facility personnel to adopt energy efficiency strategies and behaviors.
- Utilizing other program offerings, including Prescriptive/Custom measures, Building Operations, RCx, and VCx.
- Using building modeling and benchmarking to compare customer's usage and performance to cohort of similar facilities and VCx to track energy usage and performance over time.
- Application of whole building energy modeling tools that can model buildings for both operational and capital improvements.
- Scheduling of attendance of customer personnel to attend educational workshops, webinars, and group/individual training sessions with cohorts of facility managers (e.g. Building operations training).

Customers can participate by application to the program or may be contacted directly by program personnel. Customers can participate individually or in a cohort with other customers in the same industry. The cohort would allow customers to share best practices amongst each other as each customer goes through the SEM program lifecycle. A customer would still be treated as an individual unique project within the cohort. The program will retrieve customer demographics and obtain customer agreement for the services to be provided and facilitate ongoing customer engagement. The utilities and/or a third-party implementation contractor will develop application forms for this program that will guide applicants through eligibility guidelines, terms and conditions, and general program information requirements. In addition, the program will provide applications in web-ready formats to ensure participants and potential customers have easy access to the forms.

The Utilities recognize that public entities have unique procurement requirements which could result in barriers to participation. The Utilities will work with the State to develop and implement an approach that may offer a streamlined experience for these entities that meets their unique requirements.

Target Market or Segment (MFR II.a.ii)

C&I customers who are seeking comprehensive advisory, operational, technical and data analysis engagement-based energy solutions located within the utilities' service territories are eligible to participate in this program. The measures included in this program may include, but are not limited to, HVAC, building envelope, lighting, controls, and other building systems, energy efficiency and energy consuming equipment.

Engineered Solutions, Tier 1 and 2 targets customers who need tailored energy-efficiency support to help identify, develop, and undertake energy-efficiency projects.

Regarding the Energy Management pathway, these strategies are generally appropriate for specific segments as described below:

- Building Operations and VCx measures target existing commercial buildings and may be particularly relevant for small to medium building types that utilize traditional building systems and controls.
- RCx and MBCx target existing commercial buildings and are particularly relevant for medium to large building types utilizing a building energy management system.
- SEM targets existing large to very large commercial and industrial customers and building types and is particularly relevant to customers with significant energy use who commit to on-going participation and engagement across the organization including various levels of management and decision making.

Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)

Incentives for the Engineered Solutions Tier 1 pathway will provide a 100% incentive for an up-front audit, the specific audit level will be determined on a project-by-project basis based on the complexity of the facility and the potential energy efficiency measures. In addition, the utilities will buy-down the simple payback of the recommended energy-efficiency project cost for approved measures by up to six (6) years, with the resulting payback not less than three years. After the project incentive buy-down, the remaining project costs may be funded by the program with participants repaying the balance of the project costs through a repayment plan.

Incentives for the Engineered Solutions Tier 2 pathway will provide incentives for both technical assistance services and other project costs determined on a project-by-project basis using a cost effectiveness tool up to 60% of project cost.

In addition to the calculated project-by-project incentive, participants will have the option to pay back the non-incentive portion of the project costs through a repayment plan.

Tailored assistance support services may include Design, Construction Administration, Commissioning, and M&V and other technical support which will be made available and included in the project cost on an as needed basis.

Incentives for the Energy Management pathway are structured around the measure categories that focus on specific energy efficiency measures and management practices as follows:

- **HVAC Tune-Up:** Fixed incentives for the implementation of the tune-up measures based on the size of the HVAC units.
- **Building Tune-Up:** Incentives that cover up to 80% of the project cost and up to 70% of the cost to attend qualified BOC training up to $1000 per person.

- **Retro-Commissioning:** Incentives to cover up to 100% of the initial cost to perform the required ASHRAE level audit. The total project incentive will be capped at up to 70% of the project cost. The customer may also be paid a custom incentive for the implementation of the energy efficiency measures determined through the audit.
- **Monitoring-based Commissioning, Virtual Commissioning:** Incentives to cover up to 100% of the cost of integration of third-party hardware and software. Utilities may also implement a performance-based model with an implementation contractor where the utility only pays for delivered and verified energy savings.
- **Strategic Energy Management**: The utility or third-party implementation contractor may perform an engineering assessment of the customer's facility to develop a SEMP or the customer may choose to utilize a consultant of their choosing to perform an engineering assessment to develop the SEMP. Customers who utilize a consultant will receive an incentive to cover up to 100% of the initial cost of the engineering assessment. A tiered incentive structure for customer engineering assessment may be utilized based upon square footage of a customer's facility. The SEMP will identify short, medium, and long-term goals for the customer and will set identifiable metrics for mapping to the plan. For the implementation of the energy efficiency measures determined by the SEMP, the customer will be paid an incentive that is commensurate with the applicable Commercial & Industrial Program offering to which the measures are attributed.

Refer to Appendix H, for the Summary of the Existing and Proposed Incentive Ranges for this program.

The utilities will strive to complete customer contractor payments within 60 days following completion of contractor work, submission of complete and required paperwork, and completion of program requirements, such as necessary field inspections (if required).

Customer Repayment Options (MFR II.a.v)

Refer to section 4h of this Program Plan, for the Summary of Proposed Repayment for this program.

Contractor Requirements & Role (MFR II.a.vi)

The utilities will administer the Energy Solutions program and may also choose to select a third-party to manage delivery of this program. The utilities will oversee and coordinate on the program offering. The utilities may utilize qualified trade allies and/or contractors to undertake the services required to deliver this program. The utilities may also utilize the qualified trade allies to assist in the outreach, marketing and trade ally coordination. Participants may contract with the installation trade allies selected through a competitive solicitation process, or their own preferred contractors if allowed by the pathway, to provide program services.

The Engineered Solutions pathway delivery will typically occur in the following steps (the Engineered Solutions Tier 2 pathway may provide selected services, but not all, as determined on a project-by-project basis):

- **Audit:** The utilities shall assess the required level of an ASHRAE audit to perform, based on the complexity of the facility and the potential energy efficiency measures; an investment grade audit may not be required for all facilities. The utilities will then select a program trade ally to perform the appropriate level energy audit and prepare a customized audit report that includes a list of recommended energy efficiency upgrades. The lead utility will then review the recommended energy efficiency upgrades with the customer to determine whether to proceed with a project.

- **Engineering Analysis of Project:** Based on the audit results and customer feedback, an engineering analysis may be required. The lead utility will conduct a screening of the payback and project cost effectiveness and recommend the selected energy-efficiency measures for the project. The lead utility will review the project with the customer for customer agreement on the approved project and coordinate as necessary.
- **Engineering Design and Bid Package preparation:** The engineering trade ally hired by the lead utility will initiate the design of the selected energy-efficiency measures for the approved project. In addition, this trade ally will also prepare a Scope of Work and bid package documents which the customer could use to put out a Request for Proposal (RFP) to obtain installation cost estimates for the approved project.
- **Scope of Work/Contractor Bids:** The customer will issue a Scope of Work and the bid package documents to obtain competitive bids to install selected energy-efficiency measures for the approved project. The lead utility, the program engineering trade ally and the customer will review and evaluate the bids/costs received, and the customer will make the final decision on bid selection. Following bid selection, the proposed project is again screened for cost effectiveness.
- **Measures Installation and Inspections:** The partnering utilities and the program engineering trade ally, acting as construction administration agent, will monitor project progress and will release project funds based on the following payment structure:
    - **Stage 1: Project Contracting Stage -** The first progress payment of up to 30% of the installation cost can be issued to the customer to initiate the project.
    - **Stage 2: Construction Stage -** A pre-defined series of monthly progress payments totaling up to 50% of total project commitment can be issued.
    - **Stage 3: Project Completion and Commissioning -** When the project is 100% complete, a final inspection and final project true-up will be performed; remaining progress payments will be issued.

The final payment based on the results of project true-up is determined and issued only if the final inspection is successfully completed and approved. If the final costs are less than the estimated project commitment, the final payment will be adjusted down to reflect the actual costs. If the final costs are greater than the estimated project commitment, the final payment will not be adjusted and will be paid according to the executed agreements and contracts specifying original costs.

The progress payment schedule described above is designed to ensure that customers can pay their installation contractors on a timely basis. Project progress and the project cash flow will be monitored and verified by the lead utility and the trade ally engineering firm with updates to the partner utility as appropriate.

The utilities will select qualified program trade allies to undertake all services associated with the program. The utilities will also monitor participation to assess the effectiveness of outreach efforts, incentive levels, delivery methods, and program trade ally and installation contractor availability and provide suggestions for improvement. The installation contractor(s) will adhere to the project specifications recommended by the utilities and the program engineering trade ally and set forth between the installation contractor and the customer.

For Energy Management, the utilities will perform overall administration and oversight of the pathway and may also choose to select third-party implementation contractors to manage delivery of this pathway. The utilities' staff and/or third-party implementation contractors will oversee all aspects of the pathway. The utilities and/or third-party implementation contractors will be responsible for administering, promoting and providing the pathway to customers including staffing, processes ensuring quality and other controls supporting successful program implementation. The utilities' staff and/or third-party implementation contractors will conduct the marketing, management, and implementation aspects of this pathway.

The utilities' staff and/or third-party implementation contractors will select qualified program trade ally and/or contractors to undertake all program services, as required. Installation and maintenance trade allies must adhere to the project specifications developed by the utility and/or third-party implementation contractors. The utilities will leverage their existing and/or develop a network of engaged trade allies, including local construction, electrical, plumbing and other contractors, to educate them on program benefits and assist with building an approved trade ally network which will reliably maintain and install energy-efficient equipment for participating customers.

The utilities' staff and/or third-party implementation contractors will also monitor participation to assess the effectiveness of outreach efforts, incentive levels, delivery methods, and program trade ally availability and provide suggestions for improvement.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3a.ii.2 Prescriptive & Custom Program

Program Description (MFR II.a.i)

The Prescriptive and Custom Measures program will promote the installation of high-efficiency electric and/or natural gas equipment by the utilities' C&I customers, either via the installation of prescriptive or custom measures or projects. The program provides prescriptive-based incentives to commercial and industrial customers to purchase and install energy efficient products. The program will continue to support and/or provide downstream approaches to ensure the market is properly supported. The program may also provide midstream or upstream incentives or buydowns and support to manufacturers, distributors, contractors and retailers that sell select energy efficient products. These measures will incentivize energy efficient lighting, appliances, heating and cooling equipment, and food service equipment, among other efficiency measures. Type and value of incentive provided will range and will include electric and/or natural gas technologies that improve energy efficiency. Up-front rebates will be offered to reduce initial costs and some purchases may qualify for a repayment plan to further reduce upfront costs. Prescriptive measures are designed to provide easy and cost-effective access to energy efficient measures through customers' preferred channels.

Prescriptive rebates are designed to:

- Provide incentives to facility owners and operators for the installation of high efficiency equipment and controls;
- Promote the marketing of high efficiency measures by trade allies such as electrical contractors, mechanical contractors, and their distributors to increase market demand; and
- Ensure the participation process is clear and simple.

Prescriptive incentives will increase adoption of energy efficient equipment by harnessing the utilities' unique customer relationships to positively impact the entire sales process surrounding efficient equipment. The process includes education and awareness with customers, engagement with trade ally contractors and equipment distributors, and repayment plan opportunities for the high efficiency equipment.

The program also includes custom measures that provide calculated or performance-based incentives for electric and/or natural gas efficiency opportunities for commercial, industrial, and other non-residential customers that are non-standard, variable, or not captured by prescriptive incentives. Calculated or performance-based incentives are designed to reduce the customer's capital investment for qualifying energy efficient equipment to retrofit or upgrade specialized processes and applications and/or to implement qualifying high efficiency building shell or systems improvements. Typical custom measures that are eligible for incentives are either less common measures or efficiency opportunities in variable or specialized applications that may include manufacturing or industry-specific processes, or non-traditional use cases. In many cases, custom efficiency measures are more variable or complex than prescriptive equipment.

Potential participants may be required to submit an application for pre-approval to confirm measure or project eligibility and reserve funding. The utilities and/or implementation contractors will develop electronic rebate application forms that will guide applicants through eligibility guidelines, program requirements, terms and conditions, and general information. In addition, the utilities and/or implementation contractors will provide applications in web-ready formats to ensure participants have easy access to the forms. The pre-approval process provides for the review of the customer's proposed project to confirm measure eligibility and incentive budget availability. This also supports the utilities' program management because it communicates projects that are in the pipeline. If accepted and pre-approved by the utilities, a timeline is established for project completion to qualify for a rebate. The typical lead time for completing a custom project is 90 to 120 days but can be longer depending on the complexity of the project. Large projects, or subsets of projects, may be required to undergo pre-and post-inspection to validate energy savings. Approved measures or projects may also be eligible for a repayment plan.

Target Market or Segment (MFR II.a.ii)

The Prescriptive and Custom Measures program will be available to all commercial, industrial and other non-residential customers located within the utilities' service territories. This program is focused on promoting the sale and installation of efficient electric and/or natural gas equipment across all major end-use categories and can be easily promoted to trade allies and customers via straightforward prescriptive rebates or more complex custom rebates. Potential technologies incentivized through prescriptive measures include energy efficient lighting, appliances, heating and cooling equipment, and food service equipment, among other efficiency measures. Customers pursuing custom incentives will generally be customers with more complex needs and non-standard or variable efficiency opportunities and typically include building types such as light/heavy industrial, manufacturing, and data centers and distribution centers, among others.

Existing and Proposed Incentive Ranges (MFR.II.a.iii) (MFR II.a.iv)

The utilities propose to provide a range of incentives depending on the measure type, subject to changes based upon customer response and economic and market conditions over the plan period. Incentives will vary depending on factors including, but not limited to the specific product, the incremental cost of the high-efficiency technology, and the product maturity in the marketplace.

Refer to Appendix H, for the Summary of the Existing and Proposed Incentive Ranges for this program.

In instances where incentives are not immediate, the utilities will strive to complete consumer or contractor payments within 60 days following completion of contractor work, submission of complete and required paperwork, and completion of program requirements such as necessary field inspections (if required).

Customer Repayment Options (MFR II.a.v)

The participating customer will repay the balance not covered through the incentive either in a lump sum or through a repayment plan. Refer to Section 4h of this Program Plan, for the Summary of Proposed Repayment for this program.

<u>Contractor Requirements & Role (MFR II.a.vi)</u>

The utilities may outsource some, or all, of the implementation of this program to an implementation contractor who would be responsible for defined functions, which could include administration, marketing, application processing and documentation regarding purchased products, and processing incentives and rebates. The utilities will perform overall administration and oversight of the program. To maximize customer participation and streamline the customer experience, the utilities will use their strong customer and marketplace relationships to support multiple implementation strategies to achieve program goals.

- **Trade Allies:** The utilities and/or the implementation contractor will target trade allies to promote the energy efficiency opportunities and incentives to their clients. Preserving this downstream approach will ensure that customers and trade allies are properly supported. Trade allies will be able to leverage the program and offer customers rebates through their normal course of business. By developing relationships with trade allies, the program will develop a broad reach across the marketplace and solicit feedback to ensure incentives and measures are impacting the market as designed. Examples of targeted trade ally firms may include:

    - Design, engineering, and controls firms;
    - Building energy managers
    - HVAC distributors, contractors, and retail providers;
    - Food service retailers and service providers;
    - Commercial lighting retailers, distributors, and wholesalers; and
    - Electricians and Electrical contractors

- **Retail:** The utilities' program staff and/or the implementation contractor field representatives may work with retailers and distributors that directly target C&I customers to inform them of the participation process and available equipment incentives. The utilities and/or implementation contractor may also provide support and assistance to retailers or distributors to support identification and promotion of qualifying energy efficient products. This may also include training and instruction to participating retailers and distributors about the utilities' application forms.
  The utilities may provide opportunities for commercial customers to purchase energy efficient equipment through an online marketplace.
- **Midstream:** The utilities and/or the implementation contractors may promote a midstream component for specific equipment types to encourage purchase of efficient equipment via directly marking down the cost of the efficient equipment at the point of sale. Midstream rebates encourage market transformation and wider availability of efficient equipment. The utilities anticipate offering midstream point of sale discounts across numerous equipment types, which may include, but are not limited to LED lighting, HVAC, and food service equipment. Efficient products that are rebated via a midstream approach will not be eligible for incentives in any other utility energy efficiency program. The utilities and/or implementation contractor will also provide support and assistance to distributors to support identification and promotion of qualifying energy efficient products. This will also include training and instruction to participating distributors, as well as enrollment of distributors to participate in midstream program offerings.

- **Digital:** The program will be marketed directly to C&I customers on the utilities' websites where customers will have easy access to information regarding eligible equipment and savings opportunities, how to participate, rebate applications and incentives across all efficient equipment types and end-uses. The utility may also offer the direct purchase of eligible equipment through their website or an online marketplace.
- **Targeted Customer Outreach:** Utility staff may choose to reach out directly to large business and commercial customers to develop relationships with energy and facilities managers, operations staff and procurement personnel. Program staff can help facilitate completion of rebate applications and serve as a direct resource to these customers, providing technical support and assisting customers in identifying efficiency opportunities.
- **Technical Customer Assistance:** An important element of the Prescriptive and Custom program is the availability of technical support. The utilities and/or implementation contractor will provide technical support to customers on the application of the energy efficiency measures and technologies included in this program, including supporting measure or project identification, developing energy savings calculations and assessing measure or project economics as required.

Measurement & Verification ("M&V") for measures or projects that do not have reliable information to accurately forecast energy savings may require energy monitoring before and after measure or project implementation to determine savings and incentive amounts.

A comprehensive contractor agreement, containing information about equipment certification (such as DLC lighting, etc.), licensing, insurance requirements, etc. will be developed and provided to all participating contractors.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3a.ii.3 Direct Install Program

Program Description (MFR II.a.i)

The Direct Install Program is focused on providing the installation of efficiency measures for small to medium sized businesses, non-profit organizations, municipalities, schools and faith-based organizations ("eligible customers") that typically lack the time, knowledge or financial resources necessary to investigate and pursue energy efficiency. The program is designed to provide eligible customers with easy investment decisions for the direct installation of multiple measures to comprehensive energy efficiency projects. The program will pay a percentage of the up-front cost to install the recommended energy efficiency measures, with the participating customer contributing the balance of the project not covered by the incentive. The program will also provide a repayment plan to the customer. The no-cost energy assessment mitigates the time constraints and knowledge barriers while the reduced project costs and repayment options mitigate cost barriers and assist participants in making decisions, which otherwise would be time-consuming and potentially difficult to justify. The Direct Install program plays an important role in the marketplace because private providers of energy efficiency services typically do not target smaller customers due to the lower overall profit for their services when compared with larger non-residential customers. For these reasons, small to medium sized businesses, non-profit organizations, municipalities, schools and faith-based organizations are often underserved, and the program fills an important gap by targeting, promoting and delivering efficiency services to these customers directly.

The energy assessment will be provided to customers free of charge and will offer recommendations on energy efficiency measures to reduce the customer's energy usage and costs. Standard energy savings measures may also be provided or installed at no cost at the time of the energy assessment to support customer engagement, participation, and energy savings.

The program will also focus on the smaller customers within the eligible customer segments. The utilities anticipate portions of the program to be directed at restaurants, small offices, convenience stores, and other small independent businesses that often are left behind in energy efficiency programs. Through a number of delivery mechanisms, the utilities will ensure that all eligible business types are able to participate in this program.

The Utilities recognize that public entities have unique procurement requirements which could result in barriers to participation. The Utilities will work with the State to develop and implement an approach that offers a streamlined experience for these entities that meets their unique requirements. More specifically, the Utilities will offer a Public Sector Direct Install program pathway for public entities subject to Local Public Contracts Law at N.J.S.A. 40A:11-5(1)(f) and Public School Contracts Law at N.J.S.A. 18A:18A-5a(7) that employs a direct contracting model and includes a standardized approach to and pricing for assessments, recommendations, and installations. The Utilities will work with the State to ensure that this program pathway includes minimum requirements for contractors and subcontractors, includes local and diverse hiring requirements, and encourages participation by union labor.

The Utilities will also work with the State to offer a Direct Install program pathway for all eligible customers that employs a trade ally model and includes a standardized approach to assessments, recommendations, and installations.

The Utilities will work with the State to develop and implement an approach to serve State facilities.

Target Market or Segment (MFR II.a.ii)

The utilities will seek to address the most cost-effective measures but will also address all measure retrofits that would comprise a cost-effective project. Examples of end-use categories covered by the program include lighting, HVAC, controls, refrigeration, food service, motors, low-flow devices, building envelope improvements, pipe wrap, and domestic hot water equipment. The program will be divided into three tiers of eligibility, determined by the customer's individual facility peak electrical demand over the last 12 months.

- Tier 1
  - Will serve the smallest of the eligible customer base: all customers with an average annual individual facility peak electrical demand of up to 100 kW and an average annual natural gas load of up to 5,000 therms;
- Tier 2
  - All customers with an average annual individual facility peak demand of up to 300 kW or average annual natural gas load of 40,000 therms that are located within an Urban Enterprise Zone ("UEZ"), Opportunity Zone, Overburdened Community ("OBC"); or
  - All customers with an average annual individual facility peak demand of up to 300 kW or an average annual natural gas load of 40,000 therms that are owned or operated by a local government, K-12 public schools, or that are non-profits categorized as 501(c)3
- Tier 3
  - All customers with an average annual individual facility peak electrical demand of 101 - 300 kW or an average annual natural gas load of 5,001 therms to 40,000 therms.

The eligibility requirements listed above may be adjusted in coordination among the utilities to improve customer access, participation and program performance based on economic and market conditions.

Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)

Each tier of the program will encompass many of the same benefits, including a turnkey solution for eligible customers, which requires no up-front investment. The initial site visit, energy assessment and installation of recommended energy efficiency measures are provided at no initial cost to participants. The utilities propose to provide an incentive level of up to 80% of the project costs to promote the completion of comprehensive projects while maintaining overall program cost effectiveness.

For Tier 1 customers, the program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan.

For Tier 2 customers, program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan. Customers located in an Urban Enterprise Zone ("UEZ"), Opportunity Zone, Overburdened Community ("OBC"), or other geographic area as designated by the Board of Public Utilities may also qualify, as will those owned or operated by a local government, K-12 public school, or non-profit categorized as 501(c)3 or 501(c)19.

Tier 3 will serve the larger segment of eligible customers, with an individual facility average annual peak electrical demand of 101 - 300 kW or 5,001 therms to 40,000 therms over the past 12 months. Incentives up to 70% of the total project cost will be offered with the participating customer repaying the balance not covered through the incentive either in a lump sum or through a repayment plan.

Utilities may impose a dollar cap on the incentives for all tiers.

Refer to Appendix H, for the Summary of Existing and Proposed Incentives for this program.

Customer Repayment Options (MFR II.a.v)

The participating customer will repay the balance not covered through the incentive either in a lump sum or through a repayment plan.

Refer to section 4h of this Program Plan for the Summary of Proposed Repayment for this program.

Contractor Requirements & Role (MFR II.a.vi)

The Direct Install Program interfaces with customers via either direct solicitation or upon customer request. All participants receive a site visit, including a free on-site energy assessment to identify energy efficiency retrofit opportunities. Standard energy savings measures may also be installed at no cost at the time of the energy assessment for eligible Tier 1 customers, to support customer engagement, participation, and energy savings. Following the energy assessment, participants are provided with a report assessing the site and recommending additional measures that could further improve the energy efficiency of the facility.

Based on the results of the energy assessment report, the program will offer to pay a percentage of the project cost to install the recommended energy efficiency measures. The program may also provide a repayment plan, to the customer (and/or landlord) for their portion of the project cost. Utility staff and/or third-party implementation contractors will provide turnkey solutions to eligible customers with the initial site visit, energy assessment and installation of recommended efficiency measures at no initial cost to participants. The utility will ensure this completed on time and to specifications. This approach frees up the participant, who may not have the time or resources to dedicate to project identification, development and implementation. The distinction between Tier 1, 2, and 3 eligibility criteria will ensure that eligible customers, even those that are the smallest and often overlooked, receive ample focus.

The participating contractors will perform the energy assessments and installations, working with the Utilities' and/or the implementation contractors oversight to undertake all construction and installation work identified in the energy assessment process.

To support public entity participation in the Public Sector Direct Install pathway, the Utilities will work with the State to establish minimum requirements for contractors and subcontractors, including the following:

- Compliance with public work project requirements
- Public Works Contractor registration (with the NJ Department of Labor and Workforce Development)
- Submission of certified payroll records
- Affirmation that none is debarred, suspended, or disqualified by the NJ Department of the Treasury or Federal agencies
- Confirmation of no business with State prohibited entities
- Division of Property Management and Construction (DPMC) classifications (with the NJ Department of the Treasury)

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

3a.iii Multifamily Sector

The core Multifamily sector program is described below and includes:

- Multifamily

3a.iii.1 Multifamily Program

Program Description (MFR II.a.i)

This program addresses multifamily structures with three or more units. As such, there can be significant variation in the types of structures served under this program ranging from residential type dwellings with three units to large garden apartment complexes to multi-story high rise buildings. To meet the specific needs of each customer, the Multifamily Program will provide, in conjunction with the customer, a structured screening review to identify and develop the project plan for the customer. Potential program services include customer engagement with energy efficiency education through energy assessments and a suite of efficiency offerings ranging from simple to deep energy retrofits targeting all end uses. In addition, the Multifamily Program may provide On-Bill Repayment (OBR) or access to financing with similar terms and enhanced incentives for income-qualified customers and affordable housing properties.

The Multifamily Program will seek to work with each customer to determine and package the best energy savings opportunities based on the needs and interests of the customer, with an emphasis on encouraging more comprehensive projects wherever possible. Customers will begin participation in the Multifamily Program with a screening to identify and develop a project plan. The initial screening may include an energy assessment and installation of standard energy savings measures where possible to help encourage program participation. The assessment will also identify additional energy savings opportunities and develop the project plan that is the best fit for each specific customer and building.

Applications to this program will be reviewed to determine the project plan depending on the type of housing stock and ownership structure. The screening process will consider various factors to create a project plan that will deliver a high level of energy savings in a cost-effective manner. Examples of these factors include, but are not limited to:

- Building size;
- Number of units;
- If the facility is being served by a central plant;
- If there are individual heating and cooling units;
- If there are building envelope/weatherization opportunities;
- Application review with a potential virtual site inspection or telephone interview with property management; and
- An on-site pre-scoping audit may be performed.

Depending upon the screening results and the customer's interests, a customer's project plan could include direct installation of standard and comprehensive energy saving measures, comprehensive building wide efficiency, and other possible measures. The measures within the project plan may align with the terms and conditions of the utilities' respective applicable residential and/or commercial and industrial program offerings, where appropriate, and may include multifamily-specific terms, conditions, incentives, and offerings. Therefore, the project plan can include prescriptive measures with set energy-savings and/or custom projects with savings on a project basis. The incentives for the measures may not match the incentives in other programs, as the multifamily sector has higher barriers to overcome. Discussions with customers may also target the identification of specific opportunities that may align with other utility programs, including measures provided in Additional Utility-Led Initiatives.

Target Market or Segment (MFR II.a.ii)

All multifamily buildings with three or more units that are served by at least one investor-owned utility are eligible to participate. The program targets multifamily property owners, property managers, and residents, who, because of the building owner – tenant relationship, have always had difficulty investing in energy efficiency equipment. The utilities will also target outreach to income-qualified occupants and owners of multifamily buildings who are eligible for enhanced incentives.

Eligibility for these enhanced incentives can be automatic based upon the type of property that can be identified as serving income-qualified customers, such as those with an affordable housing designation (e.g., New Jersey Housing and Mortgage Financing Agency qualified, Housing Authorities) or identifiable by a physical location (e.g. census tract, Overburdened Communities with a low-income characteristic). The utilities reserve the right to align with categorical eligibility of federal and state energy efficiency programs for income eligibility. The program may refer prospective customers to income-qualified program(s) as appropriate.

Existing and Proposed Incentive Ranges (MFR.II.a.iii and MFR II.a.iv)

The measures of the Multifamily Program are a comprehensive combination of potential program components. Depending on the needs of the customer, different program components may be provided to them. Incentives for some measures may align with the existing incentive offerings for other program offerings, however the program has the flexibility to offer different incentive levels.

See Appendix H for existing and proposed incentive ranges for each of the potential program components that utilities may offer as part of their Multifamily program.

Customer Financing Options (MFR II.a.vi)

Refer to Section 4h of this Program Plan, for the Summary of Proposed Financing.

The Multifamily Program may provide On-Bill Repayment (OBR) or access to financing with similar terms and enhanced incentives for income-qualified customers and affordable housing properties.

Contractor Requirements & Roles (MFR II.a.vi)

The Multifamily Program will be delivered in coordination between both the Lead Utility and the Partner Utility (where applicable) and/or qualified third-party implementation contractor(s) with experience delivering similar programs. Because of the unique and varied nature of the multifamily market, program representatives will build relationships with property management companies, owners, associations, and their members to recruit participation in the program. The program will assist customers as necessary to coordinate scheduling of the Energy Assessment and direct installations and will provide program and technical support to complete program and rebate application requirements.

Delivery of energy-saving measures will depend on the project plan and may include direct installation of standard and comprehensive energy savings measures, installation of prescriptive measures, and/or custom projects. It may be necessary to schedule appointments for the installation of energy saving measures in the individual living units and common areas. In-unit HVAC tune-ups may also be offered to the property owner or tenant. The installation crews are trained on the technical and educational aspects of the measures installed and leave educational materials in each unit describing the work performed and explaining the energy-saving benefits.

Projected Participants (MFR II.a.vii) and Energy Savings Relative to QPIs (MFR II.a.viii)

Refer to Appendix A, for the information on these MFRs.

Program budget, by year (MFR II.a.ix.) and Projected program costs, by year, broken down into the specified categories (MFR II.a.x)

Refer to Appendix B, for the information on these MFRs.

4. Portfolio Information

As discussed above, some information contained in the Portfolio Information section (Section 4) is consistent, while the remaining subsections are Utility specific. The following subsections contain consistent information across all of the Utilities:

- 4e: Evaluation, Measurement and Verification (MFR VI.)
- 4f: Reporting Plan (MFR VIII.)
- 4g: Overburdened Community Standardization

Sections 4a-4d and Section 4h each present information specific to each Utility. If provided, additional sections within Section 4 are Utility specific.

4a. Quality Control and Customer Complaint Resolution

(MFR II.b.i and DR II.c.i)

Elizabethtown will deploy routine quality assurance and quality control measures to ensure its internal and vendor processes are meeting the goals and objectives of the program. Such measures may include routine program performance reviews, vendor meetings, customer participation surveys, and project inspections. Elizabethtown may use a third-party vendor to perform random on-site inspections for work associated with the residential, multifamily and commercial programs. The vendor may assess the quality of the energy conservation measure installations performed by the program implementation contractors, report findings, and identify recommended remedial activity as required. Additionally, any Trade Ally or Participating Contractor will undergo a thorough onboarding review to ensure that participating contractors are licensed, insured, and that they fully understand program requirements before performing any work on behalf of Elizabethtown and program. Further, routine review periods to ensure consistent program deployment and execution. Elizabethtown will take corrective actions for non-compliance and conformance with program objectives or Company standards.

Elizabethtown's various customer contact personnel/departments, including Elizabethtown's toll-free customer service number, will handle customer complaints relating to the design, delivery, and/or administration of any Elizabethtown program. Elizabethtown's customer contact personnel will refer customer complaints regarding the Triennium 2 Program to the most appropriate program management personnel to investigate and resolve the issue. If Elizabethtown is unable to resolve a complaint to the customer's satisfaction, the customer can subsequently direct their complaint to the Board for resolution through the BPU's existing process for customer complaints within the appropriate Division or the Office of Administrative Law.

4b. Workforce Development and Job Training

(MFR II.b.ii and DR MFR II.c.ii)

Elizabethtown's recognizes the importance of developing and supporting strong Workforce Development Programs. There needs to be a strong pool of qualified candidates ready for companies to hire to meet the increased demand for the energy efficiency programs and projects as the Utilities continue to implement programs to strive to meet the new energy savings targets required by the Clean Energy Act. This overview will address thoughts on training needs and career paths, trade ally needs, and contracting provisions.

ETG continues to be an active participant in the Workforce Development Working Group to collaborate with the other Utilities regarding program details and share anticipated program hiring needs while working to understand the interests, feedback and concerns of the other stakeholders. The Utilities anticipate that this work group will continue to provide significant input that will shape the recommended slate of programs and policies to develop a robust pipeline of workers able to meet the needs of a growing energy efficiency industry in New Jersey and to ensure that local, underrepresented, and disadvantaged workers are included in those opportunities.

Training Needs and Career Paths

In order for the Utility to reach the aggressive energy efficiency goals established by the Clean Energy Act, New Jersey will need to significantly increase the number of trained professionals and skilled trade persons who are proficient in meeting the needs of residential, commercial and multifamily projects, such as:

- Auditors
- HVAC technicians
- Plumbers Electricians
- Seal-up and insulation contractors
- Engineers
- Analysts (energy modeling and evaluation, customer service, financial tracking, cost-benefit analysis, demographic analysis)
- Program staff with a strong understanding of the approved energy efficiency programs and supporting administrative staff
- Outreach Specialists

To support the Workforce Development Program, ETG may partner with a third party to offer any of the below courses.

- Building Science Principles ("BSP") - designed for new entrants to the energy efficiency industry, as well as back-office personnel who support industry work. The BSP is now the starting point for the professional Building Performance Institute (BPI)certifications. It provides an overview of the energy efficiency industry, residential construction and building systems, the field of Building Science and the basics of energy conservation. Upon completion of the program, participants will need to pass a 100-question BPI test to earn a Building Science Principles Certificate.
- Building Analyst Technician - prepares workers for the field of weatherization, including as energy auditors or weatherization technicians. Building on the BSP, this course provides detailed learning and practice of building inspection, data

gathering, diagnostic testing, energy conservation measures, HVAC systems and health and safety concerns. Upon completion of this training class, students will need to pass a 4-hour proctored field exam in order to gain the BPI Building Analyst Technician certification.

- Building Analyst Professional - upskills existing professionals with work scope development, energy modeling, HVAC systems, best practices, and on-site management. Upon completion of this training class, students will need to pass a 2-hour proctored online exam in order to gain the BPI Building Analyst Professional certification.
- OSHA 40-Hour Certification - teaches a wide range of health and safety topics relevant to hazardous waste operations, including: Types of Hazards; Personal Protective Equipment (PPE); and Levels of Protection.
- Soft Skills Training – training that focuses on the development of abilities such as communication, teamwork and problem-solving skills.

We recognize that these positions require a broad range of technical training and educational experience and that it is in our interest to partner with New Jersey-based vocational institutions, community colleges, universities, community-based organizations, and non-profits. We anticipate that most of these entities will have some level of representation with either the Workforce Development Working Group or the Equity Working Group and look forward to hearing their input.

In addition to providing workforce development trainings, the Utility will work with interested participants by connecting them with our Trade Ally network and our implementation vendors for consideration regarding employment opportunities. We hope that this effort completes the circle of identifying and training candidates to then identifying and securing employment once candidates successfully complete their training, bolstering the energy efficiency workforce in New Jersey.

Trade Ally Needs

While ensuring there is trained staff available is a critical path, the Utility also recognizes there must be a pool of employers interested in hiring these individuals. We recognize that we must engage the open market to understand the needs of contractors and other firms. Organizations like the New Jersey Air Conditioning Contractors Association (NJACCA), the New Jersey Association of Plumbing, Heating, and Cooling Contractors (NJPHCC) and the New Jersey Association of Energy Engineers (NJAEE) provide industry leadership and guidance to energy businesses and should be included in the Working Group to guide policies and program designs that will meet the needs of existing and new contractors.

We expect the Working Groups to continue to explore paths that can help Women and Minority Owned Businesses grow and thrive in the Clean Energy Economy. The potential for coaching or incubator programs could ensure that underrepresented individuals have a greater chance to share in management and ownership opportunities.

Contracting Provisions

Elizabethtown's will be following internal procurement protocols for the services that will be secured to implement our programs. We are willing to include the amount of business placed with minority, women, veteran, and service-disabled veteran owned businesses ("MWVBEs") as part of our rating criteria when evaluating contract proposals.

Budget Considerations for Workforce Development Programs

Proposed budgets for Workforce Development Programs are referenced in Appendix B. These budgets were established to ensure that there is adequate funding to maintain programs during this second triennium. In the event that the State identifies adequate funding from other sources to support these types of programs, Elizabethtown may be able to reduce their planned expenditures.

4c. Customer Access to Usage Data

(MFR II.b.iii and DR MFR II.c.iv)

Elizabethtown's residential and commercial customers have access to usage data through My Account, the online customer service portal, where they can view and download up to 36 months of usage data. Residential customers will be also able to access 36 months historic usage data through the Elizabethtown's behavioral program portal.

4d. Marketing Plan

(MFR II.b.vii and DR MFR II.c.viii)

Elizabethtown will continue to implement a multi-faceted direct and indirect marketing campaigns to promote our residential, multifamily and C&I energy efficiency programs to all eligible customers within our service territory. This plan could include broad-based energy efficiency awareness campaigns, web-based engagement and information, digital advertising, social media, email, direct mail, and hard-copy materials to promote program awareness. Marketing will emphasize the energy and cost savings advantages associated with program participation, as well as tie-ins amongst the programs. Elizabethtown will also consider avenues to work closely with retailers, wholesalers, distributors, manufacturers, and trade allies to further develop networks and promote involvement in the programs where applicable. Additionally, Elizabethtown will leverage our Behavioral program for “warm leads” into other programs.

Elizabethtown may engage community partners, like the chambers of commerce and other local organizations, including those comprised of underrepresented and socially or economically disadvantaged communities and individuals, to assist in raising awareness regarding our program offerings, particularly those available to residential and small business customers. Educating building owners and operators about the benefits of energy efficiency improvements and improved systems performance will also be key to promoting the commercial & industrial (“C&I”) and multifamily programs. Such education material could include educational brochures, customer and market provider seminars, program promotional materials, and website content. Elizabethtown will also consider the potential to utilize customer information analytics or other targeted energy education outreach to identify and target customers best suited for participation in the program. The collective marketing plan strategy is useful for enrolling eligible customers that may be interested in participating but have not heard of the program and do not have the time or resources to prioritize investigating energy efficiency opportunities or reaching out to ETG. ETG will also leverage existing relationships with municipalities, universities, schools, and other public agencies to promote programs relevant to those facilities.

Elizabethtown’s programs are designed to lower barriers to participation, including addressing issues of customer awareness, split incentives resulting from landlord/tenant arrangements, supply chain constraints on the availability of energy-efficient products, the upfront costs of energy efficiency upgrades, and health and safety barriers, among others. The marketing efforts will further attempt to overcome participation barriers by specifically marketing programs in a way that addresses a variety of known market barriers. The program implementation teams and the marketing team will work closely to identify, anticipate, and address those barriers to participation on an ongoing basis in order to align marketing strategies to identified market barriers and encourage and increase access to customers in all sectors.

Further, Elizabethtown will continue to explore marketing opportunities and employ a combination of strategic methods, such as point-of-purchase displays, brochures, customer bill inserts and more to maximize program awareness; as well as design program implementation to address how to lower known market barriers to accessibility and participation.

Residential:

- **Upfront costs of efficient equipment:** Advertise incentives and on-bill repayment options as a way to reduce concerns about upfront costs.
- **Availability of efficient products:** Promote the marked down cost of efficient equipment at the point of sale. Partner with retail and wholesale entities to advertise offerings.
- **Landlord/tenant arrangements:** Segment outreach to both landlords and tenants with tailored and applicable messaging.
- **Customer awareness and engagement:** Initiate targeted marketing campaigns, as well as distribute marketing materials in Spanish and consider translation to other languages on an ongoing and as needed basis. Prioritization will be placed on a customer-friendly approach to communicating information, while ensuring that incentives are easily accessible and understandable. Customers will be equipped with educational resources and tools, such as intuitive web and appointment scheduling features.

C&I:

- **Customer awareness and engagement:** Initiate targeted marketing campaigns with a focus on the business and operational benefits of improving energy efficiency. Market materials in Spanish and provide consideration to translation in other languages. Prioritize a customer-friendly approach to communicating information, while ensuring that incentives are easily accessible and understandable. Conduct outreach and communicate to trade allies as a means to increase awareness and knowledge of program developments and offerings
- **Upfront costs of efficient investments:** Advertise incentives and on-bill repayment options as a way to reduce concerns about upfront project costs
- **Landlord/tenant arrangements:** Segment outreach to both landlords and tenants with tailored and applicable messaging.

Multifamily:

- **Split Incentives:** In addition to program designs targeted to multifamily facilities meant to combat the challenges of split incentives, ETG will focus efforts on engagement with multifamily building owners and managers and educate them regarding Elizabethtown's program offerings and the benefits of participation
- Strategies outlined for both the residential and C&I sectors will be employed.

Elizabethtown will continue to review these strategies and tactics to address market barriers and modify and/or supplement them as needed to support the success of its programs.

Elizabethtown will seek to overcome all barriers to residential, C&I and multifamily program success through its commitment to applying best practices in program design, delivery, outreach, and marketing/advertising. ETG's established customer communication channels, data, and brand in the marketplace will all be leveraged to deliver best-practice programs that identify and confront market barriers on an ongoing basis. To the extent possible, ETG will cross-promote programs to spread awareness of the range of efficiency opportunities proposed in this plan.

Elizabethtown will also continue our efforts initiated in our first triennium energy efficiency programs to promote program awareness to all customer segments, particularly underserved customers and/or overburdened communities throughout our service territory, through various community partnerships, community canvassing, outreach events and sponsorships, and other innovative approaches.

4e. Evaluation, Measurement and Verification

Evaluation, Measurement & Verification (MFR VI.a)

The utilities recognize the importance of incorporating Evaluation, Measurement and Verification ("EM&V") into the energy efficiency programs. EM&V can help assess whether program objectives are being achieved, document energy and non-energy benefits and inform both future program modifications and development. PJM Interconnection, L.L.C. (PJM) specific EM&V will also be needed to support utility EE Offers into PJM's Capacity Market.[1]

The utilities will continue to work with the State-Wide Evaluator ("SWE") and contribute to the EM&V working group. Evaluation activities, products and processes will be completed consistent with the New Jersey Energy Efficiency Triennium 2 Evaluation Framework and subsequent guidance documents by Staff and the SWE. Further, each Company has included funding to support the anticipated evaluation work within their respective filings. Proposed budgets for evaluation are reflected in Appendix B.

Common Definitions and Objectives

The State and Local Energy Efficiency Action Network ("SEE Action") offers resources, discussion forums, and technical assistance to state and local policymakers as they seek to advance energy efficiency. Their EE Program Impact Evaluation Guide from December 2012 identified three primary objectives for evaluations.

- **Document the benefits** (i.e., impacts) of a program and determine whether the subject program (or portfolio of programs) met its goals.
- **Identify ways to improve current and future programs** through determining why program-induced impacts occurred.
- **Support energy demand forecasting and resource planning** by understanding the historical and future resource contributions of EE as compared to other energy resources.

That same guide provides the following standard categories of evaluations:

- **Impact evaluations:** assessments that determine and document the direct and indirect benefits of an energy efficiency program. Impact evaluation involves real-time and/or retrospective assessments of the performance and implementation of an efficiency program or portfolio of programs. Program benefits, or impacts, can include energy and demand savings and non-energy benefits (sometimes called co-benefits or non-energy impacts, with examples being avoided emissions, and water savings). Impact evaluations can also include cost-effectiveness analyses aimed at identifying relative program costs and benefits of EE as compared to other energy resources, including both demand- and supply-side options.
- **Process evaluations:** formative, systematic assessments of an EE program from both

[1] Does not apply to GDCs.

a customer and program administrator viewpoint. Process evaluations document program operations and identify and recommend improvements that are likely to increase the program's efficiency or effectiveness for acquiring EE resources and improve the customer experience with the program.

- **Market evaluations:** assessments of structure or functioning of a market, the behavior of market participants, and/or market changes that result from one or more program efforts. Market evaluation studies may include estimates of the current market role of energy-efficiency (market baselines), as well as the potential role of efficiency in a local, state, regional, or national market (potential studies). Market evaluation studies indicate how the overall supply chain and market for EE products works and how they have been affected by a program(s). These evaluations can also include assessments of other societal, customer, or utility benefits of EE programs, such as the economic and job creation impacts of the programs, health benefits to society, or T&D benefits to utilities. And finally, these studies can also be used to inform changes to the portfolio of efficiency measures to be offered to customers, or the savings achieved by the measures.

Monitoring and Improving Program and Portfolio Performance

There is a feedback loop among program design and implementation, impact evaluation, and process evaluation. Program design and implementation, and evaluation are elements in a cyclical feedback process. Initial program design is informed by prior baseline and market potential studies. Ongoing impact evaluation quantifies whether a program is meeting its goals and may raise questions related to program processes and design. Process evaluation tells the story behind how the impact was achieved and points the way toward improving program impacts by providing insight into program operations. Thus, the three elements work together to create a better, more effective program.

Budget Considerations for EM&V Work

As noted, proposed budgets for EM&V are reflected in Appendix B. These budgets were established at or below the industry standard for this type of work[2], excluding the cost of financing and any anticipated costs associated with additional studies performed at direction of the BPU Staff or the EM&V Working Group.

TRM Considerations

The utilities will utilize the TRM applicable to determining CEA savings compliance at the time when a project is committed to calculate energy savings for that project, regardless of when the project is complete.

[2] https://www.aceee.org/toolkit/2017/06/evaluation-measurement-verification

4f. Reporting Plan

Reporting (MFR VIII.)

The utilities will continue to comply with the reporting requirements for energy efficiency programs as outlined in the BPU's May 24 and July 26 Energy Efficiency Framework Orders, as well as related guidance by Staff and the Board of Public Utilities. In particular, the Utilities will work with Staff and the EM&V Working Group to develop new metrics to track net budget transfers and financing/OBR performance.

If the impact of interactive effects would cause a utility to miss a QPI target due to a change in the measure mix implemented by customers when compared to Plan assumptions, the utility should not be penalized. If the overall QPI would result in an ROE penalty under this scenario, the utility reserves the right to remove negative savings in order to avoid incurring a penalty.

4g. Overburdened Community Standardization

Utilities will focus their efforts to provide equitable access to energy efficiency for residential customers residing in an Overburdened Community ("OBC") that is defined by a low-income designation. In accordance with treatment during the First Triennial and guidance from BPU Staff, only customers in the following OBC categories, as defined by the New Jersey Department of Environmental Protection1 ("DEP") will be tracked and reported:

- Low Income
- Low Income & Limited English
- Low Income & Minority
- Low Income, Minority, & Limited English

Additionally, in order to ensure consistent reporting across the utilities and throughout Triennium 2, the utilities will utilize the dataset available 8/31/2023 on the NJ Department of Environmental Protection website (data created and last updated on 4/10/23) to track and report OBC participating in the programs, including for the purposes of establishing and evaluating the quantitative performance indicators ("QPIs").

Consistent with Triennium 1, Utilities will deploy approaches to target market or pre-screen customers based on the location of their primary residence within the boundaries of census tracts Federally recognized as low or moderate income and a self-attestation for income qualified programs or enhanced incentives under other programs (E.g. Energy Efficient Products program).

Utilities plan to report actual performance of low and moderate income ("LMI") customers and customers within OBCs, as defined above, and are committed to strengthening the infrastructure to support enhancements for customer screening for LMI customers and reporting equity metrics for both LMI and OBC customers.

As noted in the New Jersey Utilities Association ("NJUA") comments filed in response to the Straw Proposals within this docket, the Utilities continue to believe there is an opportunity to further streamline administration and eliminate a barrier to participation by allowing any applicant from a qualifying OBC community to access the enhanced level of benefits. The Utilities recognize that the May 24th Board Order called for continued self-attestation in those areas but believe this decision is worth reconsideration within these cases.

4h. Financing/ On-Bill Repayments Description

ETG intends to provide on-bill repayment options for residential, multi-family, and commercial programs.
The following table provides the financing terms for all programs.

Elizabethtown Gas Summary of Financing Terms				
Sector	**Program**	**Pathway**	**Measure /Project**	**Available Financing Terms**
Residential	Whole Home		Single Family Homes	Less than $10,000 eligible for a 7-year term OBR at 0% APR. Greater than $10,000 and up to $25,000 eligible for a 10-year term OBR at 0% APR. Low-to-Moderate Income customers will be offered an extended OBR for a 10-year term, regardless of principal.
	Income Qualified		N/A	No financing component needed due to nature of the program.
	Efficient Products		HVAC (natural gas heating equipment, water heaters, AC system and heat pumps when paired with qualifying gas equipment)	Up to $25,000 for a 7 year term OBR at 0% APR. Low-to-Moderate Income customers will be offered an extended OBR for a 10-year term.
	Behavioral		N/A	No financing component needed due to nature of the program.
C&I[1]	Energy Solutions		Project	Financing available up to $250K at 0% APR for 5-year term. Above $250K, financing will cover 80% of balance of project cost at 0% APR for a 5-year term.
	Prescriptive &Custom			
	Direct Install			

				For MUSH & OBC customers, financing available for balance of project cost at 0% APR for 5-year term.
Multifamily	Multifamily	Multifamily HPwES	Project	Balance of the project cost up to $3,000 per unit for a 7-year term at 0% APR.
		Multifamily Prescriptive and Custom		Balance of the project cost (per terms below) after rebate at 0% APR for a 5-year term.
		Direct Install		
		Energy Solutions		For non-OBC and non-LMI multifamily, financing will be available up to $250k. Above $250k, financing will cover 80% of balance of project cost. For OBC or LMI multifamily, financing available for balance of project cost after incentives.
			Special Features to Support Inclusion:	Properties supporting LMI customers are eligible for a 10-year repayment term.

1. Energy Solutions & Prescriptive/Custom project financing over $1,000,000 and DI project financing over $250,000 reported in quarterly reports.

5. Consistent Delivery in Overlapping Territories

(MFR II.c and DR MFR II.c.ix)

In response to the New Jersey Board of Public Utilities' Framework Orders[1] directing each electric public utility and gas public utility in the State of New Jersey to establish energy efficiency ("EE") and peak demand reduction ("PDR") programs for the second triennium of programs implemented pursuant to the Clean Energy Act of 2018, the New Jersey investor-owned electric and gas utilities are collaborating in order to implement programs in a consistent manner and develop supportive processes, procedures, requirements, and forms.

Coordinated Program Offerings

To support the coordinated delivery of core programs and certain additional program offerings in situations that involve gas and electric savings opportunities in overlapping utility territories, the Utilities have established a framework that will align key program elements through use of Interconnected Tracking Systems supported by use of a Statewide Coordinator System, aligned Utility Responsibilities, and Coordinated Program Elements as further described below. This structure will support the coordinated delivery of appropriate energy efficiency measures, if offered, in the following Programs:

Core Offerings[2]

- Whole Home
- Income Qualified[3]
- Energy Efficient Products
- Energy Solutions
- Direct Install
- Prescriptive & Custom
- Multifamily

Interconnected Tracking Systems

To support consistency across the state and to align the above coordinated program offerings, the Utilities will continue to utilize a single third-party entity to serve as a Statewide Coordinator ("SWC") for measures and costs that impact more than one Utility in situations where gas and electric service territories overlap. This entity provides a software platform to validate the local gas and electric company serving the customer and perform independent allocations of energy savings and costs for coordinated program offerings.

These costs and savings will be allocated between the Utility that provides the program services (i.e., "Lead Utility") and the Utility with whom the services were coordinated (i.e., "Partner Utility").

In areas where gas and electric service territories overlap, the Utilities will design program elements that support consistent delivery of the above coordinated program offerings among all the Utilities to enable the SWC to allocate shared costs and energy savings appropriately based on the fuel types impacted by EE measures.

Statewide Coordinator System Responsibilities

- Serve as a central platform to ensure data minimums required for coordinated data elements, exchange protocols, and serve as a repository for shared measure costs and

shared savings for applicable programs.
- Track participation specific to Utility programs that require coordination (e.g., screen prior participation in coordinated program offerings).
- Serve as a clearing house for pre-determined data formats and exchanges.
- Perform allocation of dual-fuel or partner-fuel savings and cost for customers with separate gas and electric utilities, to facilitate sharing of costs and investments.
- Determine and provide supporting reports respective to Utility invoice balances for allocation of shared measure costs (e.g., costs of respective measures and share of costs).
- Provide monthly reports of coordinated program activity so that customer participation and program results may be tracked.

Utility Responsibilities

The Utilities will implement certain program operations through either internal resources, or under contract with third-party implementation contractor(s) ("TPIC"), outside of the Statewide Coordinator system. By retaining these functions, the Utilities can maintain a strong line of sight to program operations and still work collaboratively with the other Utilities in offering coordinated programs to New Jersey customers. These functions may include, where appropriate:

- Customer enrollment
- Developing consistent enrollment forms to collect agreed-upon customer information to share between the Utilities
- Screening and qualifying contractors for Utility programs
- Customer care functions
- Marketing of programs
- Providing in-home/business auditing or direct-install of efficiency measures
- Communicating availability of customer financing options
- Integrating with other Utility programs
- Sponsoring EE program applications including paying incentives to customers and contractors
- Invoicing peer Utility partners for coordinated program costs

Coordinated Program Elements

As envisioned by the Board's direction on coordinated program offerings, the Utilities' programs are designed in a way to minimize customer confusion and present consistent opportunities for customer participation with access to both electric and gas measures, where appropriate. The Utilities recognize that programs will continue to evolve and commit to ongoing collaborative efforts among the Utilities to continue program alignment. Ongoing efforts may include a focus by the Utilities to standardize the following wherever possible where appropriate:

- Common forms for contractors and customers with uniform field requirements

- Contractor minimum requirements and credentials for applicable programs
- Eligible customers and property requirements
- Eligible measures
- Incentive structures through use of an agreed-upon standard incentive range
- Software platforms or interfaces to be used by contractors
- Targeted bonus approaches for customers that meet specific policy priorities (e.g., income qualified, targeted geographic locations)

Program Assumptions

The Utilities have standing sector specific committees (Residential, Commercial and Industrial), as well as specialized committees (e.g., Evaluation, Measurement & Verification Working Group), which have been active since early 2020. They routinely meet to address coordination issues, share feedback regarding program activity, and plan for future modifications/enhancements. As part of planning for this filing, the Utilities have reviewed assumptions on average project size and related energy efficiency measures but did not mandate identical assumptions. Comparisons have shown that there can be variations in market activity across service territories. The flexibility in the approach to offer incentives within approved incentive ranges enables Utilities to remain responsive to the market conditions within their respective service territories.

Budgeting

The Utilities recognize the importance of creating a solution that allows a Lead Utility to pursue their approved program portfolio to ensure they are able to meet their Clean Energy Act obligations and to be in a position to support any shared or cross-fuel energy savings from their Partner Utility. It is critical that such a structure minimizes the potential for any disruption to the market and provides customers with equitable access to the programs, regardless of their geographic location. The Utilities have included in their plans a net transfer amount that represents the Utilities' best efforts to predict the net effect of sales of energy saving between lead and partner Utilities.

6. Appendices

As noted above, all of the appendices are formatted similarly and in the same order, but present Utility-specific information. Appendix H: Incentive Ranges is formatted similarly, but has some variation due to differences in Utility specific program proposals

6a. Appendix A: Program Participants, Energy Savings, By Year for EE, BD, and DR

Appendix A: Program Participants & Energy Savings by Program Year (MFRs II.a.vii & II.a.viii)

Program	PY4 Participants	PY4 Net Annual Energy Savings (kwh)	PY4 Net Annual Energy Savings (therms)	PY5 Participants	PY5 Net Annual Energy Savings (kwh)	PY5 Net Annual Energy Savings (therms)	PY6 Participants	PY6 Net Annual Energy Savings (kwh)	PY6 Net Annual Energy Savings (therms)	Total Participants	Total Net Annual Energy Savings (kwh)	Total Net Annual Energy Savings (therms)
Behavioral	159,000	-	435,528	159,000	-	725,880	159,000	-	725,880	477,000	-	1,887,288
EE products	5,769	349,910	254,483	17,994	1,191,401	726,684	18,202	1,164,887	709,964	41,965	2,706,198	1,691,131
Whole Home	357	196,775	39,875	650	371,307	80,331	723	396,287	84,248	1,730	964,369	204,454
Income Qualified (Moder	137	116,888	17,246	280	251,880	37,164	278	264,192	38,980	695	632,961	93,390
Income Qualified (Low In	-	-	-	-	-	-	-	-	-	-	-	-
Multifamily	537	161,094	94,422	1,241	433,529	227,195	1,277	893,304	292,615	3,055	1,487,926	614,232
Prescriptive / Custom	2,109	170,848	218,247	5,757	475,765	601,211	5,887	478,909	613,892	13,753	1,125,522	1,433,350
Direct Install	66	1,231,112	112,724	178	3,225,246	296,345	189	3,302,108	304,663	433	7,758,466	713,732
Energy Solutions	5	243,469	4,409	14	563,807	10,588	17	1,179,593	54,678	36	1,986,868	69,675
Next Gen Savings	-	-	-	-	-	-	-	-	-	-	-	-
Demand Response	-	-	-	-	-	-	-	-	-	-	-	-
Building Decarbonization	-	-	-	-	-	-	-	-	-	-	-	-
Statewide Coordinator	-	-	-	-	-	-	-	-	-	-	-	-
Workforce Development	-	-	-	-	-	-	-	-	-	-	-	-
Community Outreach	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio Total		2,470,096	1,176,935		6,512,934	2,705,397		7,679,280	2,824,920		16,662,310	6,707,252

**** Excludes any impacts beyond PY6.***

***** Net annual energy savings presented at site-level includes both electric and natural gas savings for coordinated programs delivered by the lead utility***

6b. Appendix B: Program Budgets and Costs, By Year for All Programs

Appendix B: Program Budgets and Costs by Program Year (MFRs II.a.ix & II.a.x)

TOTAL Program Years 4-6	Capital Cost	Utility Administration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Behavioral	-	104,931	-	-	2,281,649	-	93,548				2,480,127
EE products	-	1,070,741	613,388	4,782,014	11,433,817	137,206	468,787				18,505,953
Whole Home	-	257,636	309,163	515,272	5,152,717	61,833	209,124				6,505,744
Income Qualified (Moderate Incom	-	366,461	366,461	2,931,690	4,184,111	87,951	297,296	3,145,114			11,379,085
Income Qualified (Low Income)	-	-	-	-	-	-	-	-			-
Multifamily	-	786,009	786,009	3,953,833	15,720,171	188,642	637,594				22,072,257
Prescriptive / Custom	-	863,505	716,020	4,381,688	8,635,049	103,621	350,316				15,050,199
Direct Install	-	870,067	1,418,226	7,875,724	20,806,984	249,684	844,145				32,064,830
Energy Solutions	-	492,955	273,522	2,608,957	13,676,078	164,113	552,477				17,768,101
Next Gen Savings	-	-	-	-	-	-	-				-
Demand Response	-	-	-	-	-	-	-				-
Building Decarbonization	-	-	-	-	-	-	-				-
Statewide Coordinator	-	-	-	675,000	-	-	-				675,000
Workforce Development									700,000		700,000
Community Outreach										300,000	300,000
Portfolio Total	-	4,812,304	4,482,789	27,724,178	81,890,576	993,048	3,453,287	3,145,114	700,000	300,000	127,501,296

Program Year 4	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Behavioral	-	22,565	-	-	451,291	-	18,503				492,358
EE products	-	174,984	104,990	787,426	1,749,835	20,998	71,743				2,909,976
Whole Home	-	49,441	59,330	98,883	988,827	11,866	40,542				1,248,888
Income Qualified (Moderate Incom	-	60,287	60,287	482,297	766,541	14,469	49,435	439,200			1,872,516
Income Qualified (Low Income)	-	-	-	-	-	-	-	-			-
Multifamily	-	118,953	118,953	618,554	2,379,053	28,549	97,541				3,361,602
Prescriptive / Custom	-	128,326	128,326	705,793	1,283,259	15,399	52,614				2,313,717
Direct Install	-	146,227	324,950	1,299,798	3,249,495	38,994	133,229				5,192,694
Energy Solutions	-	11,306	5,653	84,792	282,639	3,392	11,588				399,368
Next Gen Savings	-	-	-	-	-	-	-				-
Demand Response	-	-	-	-	-	-	-				-
Building Decarbonization	-	-	-	-	-	-	-				-
Statewide Coordinator	-	-	-	225,000	-	-	-				225,000
Workforce Development	-	-	-	-	-	-	-		233,333		233,333
Community Outreach	-	-	-	-	-	-	-			100,000	100,000
Portfolio Total	-	712,088	802,488	4,302,541	11,150,941	133,666	475,196	439,200	233,333	100,000	18,349,453

Program Year 5	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Behavioral	-	45,759	-	-	915,179	-	37,522				998,460
EE products	-	459,783	266,190	2,056,925	4,839,822	58,078	198,433				7,879,231
Whole Home	-	101,331	121,598	202,663	2,026,629	24,320	83,092				2,559,632
Income Qualified (Moderate Incom	-	146,080	146,080	1,168,637	1,663,491	35,059	119,785	1,258,102			4,537,233
Income Qualified (Low Income)	-	-	-	-	-	-	-	-			-
Multifamily	-	320,410	320,410	1,602,049	6,408,198	76,898	262,736				8,990,701
Prescriptive / Custom	-	363,101	308,636	1,815,505	3,631,011	43,572	148,871				6,310,696
Direct Install	-	366,184	646,207	3,446,436	8,616,091	103,393	353,260				13,531,571
Energy Solutions	-	193,181	103,030	1,287,874	5,151,497	61,818	211,211				7,008,612
Next Gen Savings	-	-	-	-	-	-	-				-
Demand Response	-	-	-	-	-	-	-				-
Building Decarbonization	-	-	-	-	-	-	-				-
Statewide Coordinator	-	-	-	225,000	-	-	-				225,000
Workforce Development	-	-	-	-	-	-	-		233,333		233,333
Community Outreach	-	-	-	-	-	-	-			100,000	100,000
Portfolio Total	-	1,995,829	1,912,150	11,805,090	33,251,917	403,138	1,414,911	1,258,102	233,333	100,000	52,374,470

Program Year 6	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Behavioral	-	36,607	-	-	915,179	-	37,522				989,308
EE products	-	435,974	242,208	1,937,664	4,844,159	58,130	198,611				7,716,746
Whole Home	-	106,863	128,236	213,726	2,137,261	25,647	85,490				2,697,224
Income Qualified (Moderate Income	-	160,095	160,095	1,280,757	1,754,080	38,423	128,076	1,447,812			4,969,335
Income Qualified (Low Income)	-	-	-	-	-	-	-	-			-
Multifamily	-	346,646	346,646	1,733,230	6,932,919	83,195	277,317				9,719,953
Prescriptive / Custom	-	372,078	279,058	1,860,390	3,720,780	44,649	148,831				6,425,786
Direct Install	-	357,656	447,070	3,129,489	8,941,398	107,297	357,656				13,340,565
Energy Solutions	-	288,468	164,839	1,236,291	8,241,942	98,903	329,678				10,360,121
Next Gen Savings	-	-	-	-	-	-	-				-
Demand Response	-	-	-	-	-	-	-				-
Building Decarbonization	-	-	-	-	-	-	-				-
Statewide Coordinator	-	-	-	225,000	-	-	-				225,000
Workforce Development	-	-	-	-	-	-	-		233,333		233,333
Community Outreach	-	-	-	-	-	-	-			100,000	100,000
Portfolio Total	-	2,104,387	1,768,151	11,616,547	37,487,718	456,244	1,563,181	1,447,812	233,333	100,000	56,777,372

** Budgets include commitments for projects that may be paid in future years.*

*** Other portfolio costs includes: State Wide Coordinator, Workforce Development, Community Outreach*

* ETG's Total Budget Summary excludes approximately $20.7 million in net utility transfers. Please refer to Section 5 of the Plan for more information regarding the approach to budgeting.

6c. Appendix C: Total Budget Summary, Including Annual Budget Summary and Joint Budgets with Partner Utilities

Appendix C: Total Budget Summary, Including Annual Budget Summary and Joint Budgets with Partner Utilities (MFR II.b.iv)

Program Year	Total Budget Summary	Lead Program Budget
Program Year 4	18,349,453	17,298,761
Program Year 5	52,374,470	50,817,677
Program Year 6	56,777,372	55,229,731
Portfolio Total	127,501,296	123,346,169

* Budgets include commitments for projects that may be paid in future years
** Total includes investment & administrative costs
[1] The Lead Program Budget in Column D includes only the budgets for coordinated programs in which costs are shared. Shared programs: Whole Home, Income Qualified, EE Products, Energy Solutions, Direct Install, Prescriptive & Custom, Multifamily
[2] ETG's Total Budget Summary excludes approximately $20.7 million in net utility transfers. Please refer to Section 5 of the Plan for more information regarding the approach to budgeting.

6d. Appendix D: Forecasted Average Costs to Achieve Each Unit of Energy Savings in Each Sector

Appendix D: Forecasted Average Cost to Achieve Each Unit of Energy Savings in Each Sector (MFR II.b.vi)

	Energy Efficiency Programs		Demand Response Program	Building Decarbonization Program
Sector	**Total $/ Lifetime kWh**	**Total $/ Lifetime Therms**	**Total $/ Lifetime therm**	**Total $/ Lifetime MMBtu**
Residential		1.33		
C&I		1.92		
Multifamily		2.36		
Building Decarbonization				n/a
Demand Response			n/a	

**** Only include lead fuel budgets and savings.***

***** Cost to Achieve include health & safety costs; excludes financing principal, Next Generation Savings***

6e. Appendix E: Benefit Cost Analysis

Total Resource Cost Test (TRC)		Res	C&I	MF	LMI	Total Portfolio	Behavioral	EE products	Whole Home	Income Qualified	Income Qualified (Low	Multifamily	Prescriptive / Custom	Direct Install	Energy Solutions	Next Gen Savings	Demand Response	Building Decarbonizat	Statewide Coordinator	Workforce Development	Community Outreach
BENEFITS																					
1 Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 1,006,607	$ 5,059,778	$ 978,839	$ 277,898	$ 7,323,122	$ -	$ 594,100	$ 412,507	$ 277,898	$ -	$ 978,839	$ 254,433	$ 3,360,529	$ 1,444,816	$ -	$ -	$ -	$ -	$ -	$ -
2 Lifetime Avoided Wholesale Electric Capacity Costs		$ 110,411	$ 464,522	$ 148,310	$ 30,450	$ 753,694	$ -	$ 60,973	$ 49,438	$ 30,450	$ -	$ 148,310	$ 17,408	$ 377,066	$ 70,049	$ -	$ -	$ -	$ -	$ -	$ -
3 Lifetime Avoided Wholesale Natural Gas and Delivered Fuels Costs		$ 8,052,092	$ 9,504,615	$ 3,149,038	$ 450,294	$ 21,956,038	$ 835,037	$ 6,078,285	$ 1,137,969	$ 450,294	$ -	$ 3,149,038	$ 5,593,141	$ 3,038,724	$ 872,749	$ -	$ -	$ -	$ -	$ -	$ -
4 Lifetime DRIPE Benefits (E&G)		$ 498,456	$ 751,446	$ 213,049	$ 37,932	$ 1,501,683	$ 41,792	$ 376,660	$ 79,996	$ 37,932	$ -	$ 213,049	$ 293,249	$ 338,816	$ 119,381	$ -	$ -	$ -	$ -	$ -	$ -
5 Lifetime Avoided RPS REC Purchase Costs		$ 101,716	$ 407,433	$ 68,057	$ 22,648	$ 599,854	$ -	$ 67,070	$ 33,847	$ 22,648	$ -	$ 68,057	$ 29,221	$ 275,064	$ 103,148	$ -	$ -	$ -	$ -	$ -	$ -
6 Lifetime Avoided Wholesale Volatility Costs (E&G)		$ 996,911	$ 1,502,891	$ 427,699	$ 75,864	$ 3,003,365	$ 83,584	$ 753,336	$ 159,991	$ 75,864	$ -	$ 427,699	$ 586,498	$ 677,632	$ 238,761	$ -	$ -	$ -	$ -	$ -	$ -
7 Lifetime Avoided T&D Costs (E&G)		$ 497,630	$ 2,737,678	$ 891,525	$ 180,964	$ 4,307,798	$ -	$ 202,988	$ 294,642	$ 180,964	$ -	$ 891,525	$ 126,787	$ 2,174,115	$ 436,776	$ -	$ -	$ -	$ -	$ -	$ -
Total Benefits	*1+2+3+4+5+6+7*	**$ 12,063,823**	**$ 20,428,364**	**$ 5,878,118**	**$ 1,076,051**	**$ 39,446,355**	**$ 961,213**	**$ 8,934,220**	**$ 2,168,398**	**$ 1,076,051**	**$ -**	**$ 5,878,118**	**$ 6,900,738**	**$ 10,241,946**	**$ 3,285,680**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
COSTS																					
8 Lifetime Incremental Costs		$ 13,570,607	$ 17,115,001	$ 5,075,770	$ 1,731,656	$ 37,493,033	$ 2,056,698	$ 8,102,175	$ 3,411,733	$ 1,731,656	$ -	$ 5,075,770	$ 8,041,858	$ 5,614,585	$ 3,458,557	$ -	$ -	$ -	$ -	$ -	$ -
9 Lifetime Administration Costs		$ 7,760,343	$ 19,540,302	$ 5,701,079	$ 3,637,047	$ 37,253,633	$ 179,285	$ 6,362,689	$ 1,218,369	$ 3,637,047	$ -	$ 5,701,079	$ 5,765,275	$ 10,142,074	$ 3,632,953	$ -	$ -	$ -	$ 614,863	$ 637,635	$ 273,272
Total Costs	*8+9*	**$ 21,330,949**	**$ 36,655,302**	**$ 10,776,849**	**$ 5,368,702**	**$ 74,746,665**	**$ 2,235,984**	**$ 14,464,864**	**$ 4,630,102**	**$ 5,368,702**	**$ -**	**$ 10,776,849**	**$ 13,807,134**	**$ 15,756,659**	**$ 7,091,510**	**$ -**	**$ -**	**$ -**	**$ 614,863**	**$ 637,635**	**$ 273,272**
Benefit Cost Ratio	**(1+2+3+4+5+6+7)/(8+9)**	**0.6**	**0.6**	**0.5**	**0.2**	**0.5**	**0.4**	**0.6**	**0.5**	**0.2**	**n/a**	**0.5**	**0.5**	**0.7**	**0.5**	**n/a**	**n/a**	**n/a**	**0.0**	**0.0**	**0.0**

Participant Cost Test (PCT)		Res	C&I	MF	LMI	Total Portfolio	Behavioral	EE products	Whole Home	Income Qualified	Income Qualified (Low	Multifamily	Prescriptive / Custom	Direct Install	Energy Solutions	Next Gen Savings	Demand Response	Building Decarbonizat	Statewide Coordinator	Workforce Development	Community Outreach
BENEFITS																					
10 Lifetime Avoided Retail Electric Costs		$ 4,785,759	$ 20,141,430	$ 4,850,867	$ 1,270,871	$ 31,048,927	$ -	$ 2,901,280	$ 1,884,479	$ 1,270,871	$ -	$ 4,850,867	$ 773,165	$ 14,706,233	$ 4,662,031	$ -	$ -	$ -	$ -	$ -	$ -
11 Lifetime Avoided Retail Natural Gas and Delivered Fuel Costs		$ 18,257,786	$ 12,742,615	$ 6,384,568	$ 928,725	$ 38,313,693	$ 1,754,402	$ 14,185,624	$ 2,317,761	$ 928,725	$ -	$ 6,384,568	$ 5,932,941	$ 5,178,649	$ 1,631,025	$ -	$ -	$ -	$ -	$ -	$ -
12 Lifetime Program Incentive Costs		$ 16,966,834	$ 38,511,606	$ 14,104,867	$ 6,581,919	$ 76,165,227	$ 2,056,698	$ 10,270,564	$ 4,639,572	$ 6,581,919	$ -	$ 14,104,867	$ 7,751,506	$ 18,686,071	$ 12,074,029	$ -	$ -	$ -	$ -	$ -	$ -
13 Lifetime Time-Value of Loan Repayments		$ 5,555,382	$ 4,784,830	$ 1,975,852	$ -	$ 12,316,063	$ -	$ 3,080,937	$ 2,474,444	$ -	$ -	$ 1,975,852	$ 1,053,376	$ 2,269,741	$ 1,461,713	$ -	$ -	$ -	$ -	$ -	$ -
Total Benefits	*10+11+12+13*	**$ 45,565,762**	**$ 76,180,480**	**$ 27,316,153**	**$ 8,781,515**	**$ 157,843,910**	**$ 3,811,100**	**$ 30,438,405**	**$ 11,316,256**	**$ 8,781,515**	**$ -**	**$ 27,316,153**	**$ 15,510,988**	**$ 40,840,693**	**$ 19,828,798**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
COSTS																					
14 Lifetime Participant Costs		$ 13,570,607	$ 17,115,001	$ 5,075,770	$ 1,731,656	$ 37,493,033	$ 2,056,698	$ 8,102,175	$ 3,411,733	$ 1,731,656	$ -	$ 5,075,770	$ 8,041,858	$ 5,614,585	$ 3,458,557	$ -	$ -	$ -	$ -	$ -	$ -
Total Costs	*14*	**$ 13,570,607**	**$ 17,115,001**	**$ 5,075,770**	**$ 1,731,656**	**$ 37,493,033**	**$ 2,056,698**	**$ 8,102,175**	**$ 3,411,733**	**$ 1,731,656**	**$ -**	**$ 5,075,770**	**$ 8,041,858**	**$ 5,614,585**	**$ 3,458,557**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Benefit Cost Ratio	**(10+11+12+13)/14**	**3.4**	**4.5**	**5.4**	**5.1**	**4.2**	**1.9**	**3.8**	**3.3**	**5.1**	**n/a**	**5.4**	**1.9**	**7.3**	**5.7**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

Program Administrator Cost Test (PAC)		Res	C&I	MF	LMI	Total Portfolio	Behavioral	EE products	Whole Home	Income Qualified	Income Qualified (Low	Multifamily	Prescriptive / Custom	Direct Install	Energy Solutions	Next Gen Savings	Demand Response	Building Decarbonizat	Statewide Coordinator	Workforce Development	Community Outreach
BENEFITS																					
15 Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 1,006,607	$ 5,059,778	$ 978,839	$ 277,898	$ 7,323,122	$ -	$ 594,100	$ 412,507	$ 277,898	$ -	$ 978,839	$ 254,433	$ 3,360,529	$ 1,444,816	$ -	$ -	$ -	$ -	$ -	$ -
16 Lifetime Avoided Wholesale Electric Capacity Costs		$ 110,411	$ 464,522	$ 148,310	$ 30,450	$ 753,694	$ -	$ 60,973	$ 49,438	$ 30,450	$ -	$ 148,310	$ 17,408	$ 377,066	$ 70,049	$ -	$ -	$ -	$ -	$ -	$ -
17 Lifetime Avoided Wholesale Natural Gas and Delivered Fuels Costs		$ 8,052,092	$ 9,504,615	$ 3,149,038	$ 450,294	$ 21,956,038	$ 835,037	$ 6,078,285	$ 1,137,969	$ 450,294	$ -	$ 3,149,038	$ 5,593,141	$ 3,038,724	$ 872,749	$ -	$ -	$ -	$ -	$ -	$ -
18 Lifetime DRIPE Benefits (E&G)		$ 498,456	$ 751,446	$ 213,049	$ 37,932	$ 1,501,683	$ 41,792	$ 376,660	$ 79,996	$ 37,932	$ -	$ 213,049	$ 293,249	$ 338,816	$ 119,381	$ -	$ -	$ -	$ -	$ -	$ -
19 Lifetime Avoided RPS REC Purchase Costs		$ 101,716	$ 407,433	$ 68,057	$ 22,648	$ 599,854	$ -	$ 67,070	$ 33,847	$ 22,648	$ -	$ 68,057	$ 29,221	$ 275,064	$ 103,148	$ -	$ -	$ -	$ -	$ -	$ -
20 Lifetime Avoided Wholesale Volatility Costs		$ 996,911	$ 1,502,891	$ 427,699	$ 75,864	$ 3,003,365	$ 83,584	$ 753,336	$ 159,991	$ 75,864	$ -	$ 427,699	$ 586,498	$ 677,632	$ 238,761	$ -	$ -	$ -	$ -	$ -	$ -
21 Lifetime Avoided T&D Costs		$ 497,630	$ 2,737,678	$ 891,525	$ 180,964	$ 4,307,798	$ -	$ 202,988	$ 294,642	$ 180,964	$ -	$ 891,525	$ 126,787	$ 2,174,115	$ 436,776	$ -	$ -	$ -	$ -	$ -	$ -
Total Benefits	*15+16+17+18+19+20+21*	**$ 12,063,823**	**$ 20,428,364**	**$ 5,878,118**	**$ 1,076,051**	**$ 39,446,355**	**$ 961,213**	**$ 8,934,220**	**$ 2,168,398**	**$ 1,076,051**	**$ -**	**$ 5,878,118**	**$ 6,900,738**	**$ 10,241,946**	**$ 3,285,680**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
COSTS																					
22 Lifetime Administration Costs		$ 7,760,343	$ 19,540,302	$ 5,701,079	$ 3,637,047	$ 37,253,633	$ 179,285	$ 6,362,689	$ 1,218,369	$ 3,637,047	$ -	$ 5,701,079	$ 5,765,275	$ 10,142,074	$ 3,632,953	$ -	$ -	$ -	$ 614,863	$ 637,635	$ 273,272
23 Lifetime Program Investment Costs		$ 16,966,834	$ 38,511,606	$ 14,104,867	$ 6,581,919	$ 76,165,227	$ 2,056,698	$ 10,270,564	$ 4,639,572	$ 6,581,919	$ -	$ 14,104,867	$ 7,751,506	$ 18,686,071	$ 12,074,029	$ -	$ -	$ -	$ -	$ -	$ -
24 Lifetime Time-Value of Loan Repayments		$ 5,555,382	$ 4,784,830	$ 1,975,852	$ -	$ 12,316,063	$ -	$ 3,080,937	$ 2,474,444	$ -	$ -	$ 1,975,852	$ 1,053,376	$ 2,269,741	$ 1,461,713	$ -	$ -	$ -	$ -	$ -	$ -
Total Costs	*22+23+24*	**$ 30,282,559**	**$ 62,836,737**	**$ 21,781,797**	**$ 10,218,966**	**$ 125,734,922**	**$ 2,235,984**	**$ 19,714,190**	**$ 8,332,385**	**$ 10,218,966**	**$ -**	**$ 21,781,797**	**$ 14,570,157**	**$ 31,097,886**	**$ 17,168,694**	**$ -**	**$ -**	**$ -**	**$ 614,863**	**$ 637,635**	**$ 273,272**
Benefit Cost Ratio	**(15+16+17+18+19+20+21)/(22+23+24)**	**0.4**	**0.3**	**0.3**	**0.1**	**0.3**	**0.4**	**0.5**	**0.3**	**0.1**	**n/a**	**0.3**	**0.5**	**0.3**	**0.2**	**n/a**	**n/a**	**n/a**	**0.0**	**0.0**	**0.0**

Ratepayer Impact Measure Test (RIM)		Res	C&I	MF	LMI	Total Portfolio	Behavioral	EE products	Whole Home	Income Qualified	Income Qualified (Low	Multifamily	Prescriptive / Custom	Direct Install	Energy Solutions	Next Gen Savings	Demand Response	Building Decarbonizat	Statewide Coordinator	Workforce Development	Community Outreach
BENEFITS																					
25 Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 1,006,607	$ 5,059,778	$ 978,839	$ 277,898	$ 7,323,122	$ -	$ 594,100	$ 412,507	$ 277,898	$ -	$ 978,839	$ 254,433	$ 3,360,529	$ 1,444,816	$ -	$ -	$ -	$ -	$ -	$ -
26 Lifetime Avoided Wholesale Electric Capacity Costs		$ 110,411	$ 464,522	$ 148,310	$ 30,450	$ 753,694	$ -	$ 60,973	$ 49,438	$ 30,450	$ -	$ 148,310	$ 17,408	$ 377,066	$ 70,049	$ -	$ -	$ -	$ -	$ -	$ -
27 Lifetime Avoided Wholesale Natural Gas and Delivered Fuels Costs		$ 8,052,092	$ 9,504,615	$ 3,149,038	$ 450,294	$ 21,956,038	$ 835,037	$ 6,078,285	$ 1,137,969	$ 450,294	$ -	$ 3,149,038	$ 5,593,141	$ 3,038,724	$ 872,749	$ -	$ -	$ -	$ -	$ -	$ -
28 Lifetime DRIPE Benefits (E&G)		$ 498,456	$ 751,446	$ 213,049	$ 37,932	$ 1,501,683	$ 41,792	$ 376,660	$ 79,996	$ 37,932	$ -	$ 213,049	$ 293,249	$ 338,816	$ 119,381	$ -	$ -	$ -	$ -	$ -	$ -
29 Lifetime Avoided RPS REC Purchase Costs		$ 101,716	$ 407,433	$ 68,057	$ 22,648	$ 599,854	$ -	$ 67,070	$ 33,847	$ 22,648	$ -	$ 68,057	$ 29,221	$ 275,064	$ 103,148	$ -	$ -	$ -	$ -	$ -	$ -
30 Lifetime Avoided Wholesale Volatility Costs		$ 996,911	$ 1,502,891	$ 427,699	$ 75,864	$ 3,003,365	$ 83,584	$ 753,336	$ 159,991	$ 75,864	$ -	$ 427,699	$ 586,498	$ 677,632	$ 238,761	$ -	$ -	$ -	$ -	$ -	$ -
31 Lifetime Avoided T&D Costs		$ 497,630	$ 2,737,678	$ 891,525	$ 180,964	$ 4,307,798	$ -	$ 202,988	$ 294,642	$ 180,964	$ -	$ 891,525	$ 126,787	$ 2,174,115	$ 436,776	$ -	$ -	$ -	$ -	$ -	$ -
Total Benefits	*25+26+27+28+29+30+31*	**$ 12,063,823**	**$ 20,428,364**	**$ 5,878,118**	**$ 1,076,051**	**$ 39,446,355**	**$ 961,213**	**$ 8,934,220**	**$ 2,168,398**	**$ 1,076,051**	**$ -**	**$ 5,878,118**	**$ 6,900,738**	**$ 10,241,946**	**$ 3,285,680**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
COSTS																					
32 Lifetime Administration Costs		$ 7,760,343	$ 19,540,302	$ 5,701,079	$ 3,637,047	$ 37,253,633	$ 179,285	$ 6,362,689	$ 1,218,369	$ 3,637,047	$ -	$ 5,701,079	$ 5,765,275	$ 10,142,074	$ 3,632,953	$ -	$ -	$ -	$ 614,863	$ 637,635	$ 273,272
33 Lifetime Program Investment Costs		$ 16,966,834	$ 38,511,606	$ 14,104,867	$ 6,581,919	$ 76,165,227	$ 2,056,698	$ 10,270,564	$ 4,639,572	$ 6,581,919	$ -	$ 14,104,867	$ 7,751,506	$ 18,686,071	$ 12,074,029	$ -	$ -	$ -	$ -	$ -	$ -
34 Lifetime Re-allocated Distribution Costs		$ 11,388,380	$ 9,071,452	$ 4,199,454	$ 783,497	$ 25,442,783	$ 979,436	$ 8,724,623	$ 1,684,321	$ 783,497	$ -	$ 4,199,454	$ 3,498,935	$ 4,308,945	$ 1,263,571	$ -	$ -	$ -	$ -	$ -	$ -
35 Lifetime Time-Value of Loan Repayments		$ 5,555,382	$ 4,784,830	$ 1,975,852	$ -	$ 12,316,063	$ -	$ 3,080,937	$ 2,474,444	$ -	$ -	$ 1,975,852	$ 1,053,376	$ 2,269,741	$ 1,461,713	$ -	$ -	$ -	$ -	$ -	$ -
Total Costs	*32+33+34+35*	**$ 41,670,939**	**$ 71,908,189**	**$ 25,981,251**	**$ 11,002,463**	**$ 151,177,705**	**$ 3,215,420**	**$ 28,438,813**	**$ 10,016,706**	**$ 11,002,463**	**$ -**	**$ 25,981,251**	**$ 18,069,093**	**$ 35,406,831**	**$ 18,432,266**	**$ -**	**$ -**	**$ -**	**$ 614,863**	**$ 637,635**	**$ 273,272**
Benefit Cost Ratio	**(25+26+27+28+29+30+31)/(32+33+34+35)**	**0.3**	**0.3**	**0.2**	**0.1**	**0.3**	**0.3**	**0.3**	**0.2**	**0.1**	**n/a**	**0.2**	**0.4**	**0.3**	**0.2**	**n/a**	**n/a**	**n/a**	**0.0**	**0.0**	**0.0**

Societal Cost Test (SC)		Res	C&I	MF	LMI	Total Portfolio	Behavioral	EE products	Whole Home	Income Qualified	Income Qualified (Low	Multifamily	Prescriptive / Custom	Direct Install	Energy Solutions	Next Gen Savings	Demand Response	Building Decarbonizat	Statewide Coordinator	Workforce Development	Community Outreach
BENEFITS																					
36 Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 1,097,774	$ 5,601,890	$ 1,103,999	$ 307,963	$ 8,111,626	$ -	$ 634,586	$ 463,188	$ 307,963	$ -	$ 1,103,999	$ 270,015	$ 3,726,063	$ 1,605,812	$ -	$ -	$ -	$ -	$ -	$ -
37 Lifetime Avoided Wholesale Electric Capacity Costs		$ 125,668	$ 523,906	$ 170,238	$ 34,317	$ 854,129	$ -	$ 68,628	$ 57,040	$ 34,317	$ -	$ 170,238	$ 19,538	$ 424,995	$ 79,373	$ -	$ -	$ -	$ -	$ -	$ -
38 Lifetime Avoided Wholesale Natural Gas and Delivered Fuels Costs		$ 9,889,727	$ 10,633,758	$ 3,558,852	$ 500,902	$ 24,583,239	$ 857,794	$ 7,733,951	$ 1,297,982	$ 500,902	$ -	$ 3,558,852	$ 6,268,912	$ 3,383,795	$ 981,051	$ -	$ -	$ -	$ -	$ -	$ -
39 Lifetime DRIPE Benefits (E&G)		$ 555,658	$ 837,978	$ 241,654	$ 42,159	$ 1,677,450	$ 42,890	$ 421,858	$ 90,911	$ 42,159	$ -	$ 241,654	$ 327,923	$ 376,743	$ 133,312	$ -	$ -	$ -	$ -	$ -	$ -
40 Lifetime Avoided RPS REC Purchase Costs		$ 107,695	$ 437,658	$ 74,290	$ 24,300	$ 643,941	$ -	$ 71,269	$ 36,425	$ 24,300	$ -	$ 74,290	$ 30,586	$ 295,331	$ 111,740	$ -	$ -	$ -	$ -	$ -	$ -
41 Lifetime Avoided Wholesale Volatility Costs		$ 1,111,317	$ 1,675,955	$ 483,309	$ 84,318	$ 3,354,899	$ 85,779	$ 843,716	$ 181,821	$ 84,318	$ -	$ 483,309	$ 655,847	$ 753,485	$ 266,624	$ -	$ -	$ -	$ -	$ -	$ -
42 Lifetime Avoided T&D Costs		$ 559,067	$ 3,043,748	$ 1,008,682	$ 200,970	$ 4,812,467	$ -	$ 223,962	$ 335,105	$ 200,970	$ -	$ 1,008,682	$ 140,323	$ 2,415,847	$ 487,579	$ -	$ -	$ -	$ -	$ -	$ -
43 Lifetime Avoided Emissions Damages		$ 12,868,740	$ 19,889,937	$ 5,642,037	$ 929,635	$ 39,330,350	$ 888,783	$ 9,933,696	$ 2,046,261	$ 929,635	$ -	$ 5,642,037	$ 8,157,235	$ 8,662,333	$ 3,070,370	$ -	$ -	$ -	$ -	$ -	$ -
44 Job and Savings Multiplier Benefits		$ -	$ -	$ -	$ -	$ -															
45 Non-Energy Benefit Adder		$ 1,750,324	$ 2,639,630	$ 761,212	$ 132,801	$ 5,283,967	$ 135,103	$ 1,328,853	$ 286,368	$ 132,801	$ -	$ 761,212	$ 1,032,958	$ 1,186,739	$ 419,932	$ -	$ -	$ -	$ -	$ -	$ -
46 Low-Income Adder		$ 114,044	$ -	$ 7,612	$ 132,801	$ 254,457	$ -	$ 86,708	$ 27,335	$ 132,801	$ -	$ 7,612	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Benefits	*36+37+38+39+40+41+42+43+44+45+46*	**$ 28,180,015**	**$ 45,284,459**	**$ 13,051,884**	**$ 2,390,166**	**$ 88,906,525**	**$ 2,010,349**	**$ 21,347,229**	**$ 4,822,437**	**$ 2,390,166**	**$ -**	**$ 13,051,884**	**$ 16,903,337**	**$ 21,225,331**	**$ 7,155,791**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
COSTS																					
47 Lifetime Incremental Costs		$ 13,862,993	$ 17,501,734	$ 5,187,302	$ 1,768,846	$ 38,320,875	$ 2,100,181	$ 8,278,287	$ 3,484,525	$ 1,768,846	$ -	$ 5,187,302	$ 8,218,740	$ 5,737,383	$ 3,545,611	$ -	$ -	$ -	$ -	$ -	$ -
48 Lifetime Administration Costs		$ 7,927,177	$ 19,970,001	$ 5,826,774	$ 3,716,759	$ 38,067,228	$ 182,998	$ 6,499,790	$ 1,244,388	$ 3,716,759	$ -	$ 5,826,774	$ 5,890,811	$ 10,357,795	$ 3,721,396	$ -	$ -	$ -	$ 626,517	$ 649,721	$ 278,452
Total Costs	*47+48*	**$ 21,790,170**	**$ 37,471,735**	**$ 11,014,076**	**$ 5,485,604**	**$ 76,388,102**	**$ 2,283,179**	**$ 14,778,077**	**$ 4,728,914**	**$ 5,485,604**	**$ -**	**$ 11,014,076**	**$ 14,109,550**	**$ 16,095,178**	**$ 7,267,007**	**$ -**	**$ -**	**$ -**	**$ 626,517**	**$ 649,721**	**$ 278,452**
Benefit Cost Ratio	**(36+37+38+39+40+41+42+43+44+45+46)/(47+48)**	**1.3**	**1.2**	**1.2**	**0.4**	**1.2**	**0.9**	**1.4**	**1.0**	**0.4**	**n/a**	**1.2**	**1.2**	**1.3**	**1.0**	**n/a**	**n/a**	**n/a**	**0.0**	**0.0**	**0.0**

New Jersey Cost Test (NJCT)		Res	C&I	MF	LMI	Total Portfolio	Behavioral	EE products	Whole Home	Income Qualified	Income Qualified (Low	Multifamily	Prescriptive / Custom	Direct Install	Energy Solutions	Next Gen Savings	Demand Response	Building Decarbonizat	Statewide Coordinator	Workforce Development	Community Outreach
BENEFITS																					
49 Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 1,097,774	$ 5,601,890	$ 1,103,999	$ 307,963	$ 8,111,626	$ -	$ 634,586	$ 463,188	$ 307,963	$ -	$ 1,103,999	$ 270,015	$ 3,726,063	$ 1,605,812	$ -	$ -	$ -	$ -	$ -	$ -
50 Lifetime Avoided Wholesale Electric Capacity Costs		$ 125,668	$ 523,906	$ 170,238	$ 34,317	$ 854,129	$ -	$ 68,628	$ 57,040	$ 34,317	$ -	$ 170,238	$ 19,538	$ 424,995	$ 79,373	$ -	$ -	$ -	$ -	$ -	$ -
51 Lifetime Avoided Wholesale Natural Gas and Delivered Fuels Costs		$ 9,889,727	$ 10,633,758	$ 3,558,852	$ 500,902	$ 24,583,239	$ 857,794	$ 7,733,951	$ 1,297,982	$ 500,902	$ -	$ 3,558,852	$ 6,268,912	$ 3,383,795	$ 981,051	$ -	$ -	$ -	$ -	$ -	$ -
52 Lifetime DRIPE Benefits (E&G)		$ 555,658	$ 837,978	$ 241,654	$ 42,159	$ 1,677,450	$ 42,890	$ 421,858	$ 90,911	$ 42,159	$ -	$ 241,654	$ 327,923	$ 376,743	$ 133,312	$ -	$ -	$ -	$ -	$ -	$ -
53 Lifetime Avoided Electric Transmission Costs		$ 559,067	$ 3,043,748	$ 1,008,682	$ 200,970	$ 4,812,467	$ -	$ 223,962	$ 335,105	$ 200,970	$ -	$ 1,008,682	$ 140,323	$ 2,415,847	$ 487,579	$ -	$ -	$ -	$ -	$ -	$ -
54 Lifetime Avoided Distribution Costs		$ 1,100,553	$ 2,115,731	$ 855,854	$ 278,118	$ 4,350,255	$ -	$ 680,378	$ 420,174	$ 278,118	$ -	$ 855,854	$ 67,885	$ 1,596,283	$ 451,562	$ -	$ -	$ -	$ -	$ -	$ -
55 Lifetime Avoided Emissions Damages		$ 12,868,740	$ 19,889,937	$ 5,642,037	$ 929,635	$ 39,330,350	$ 888,783	$ 9,933,696	$ 2,046,261	$ 929,635	$ -	$ 5,642,037	$ 8,157,235	$ 8,662,333	$ 3,070,370	$ -	$ -	$ -	$ -	$ -	$ -
56 Non-Energy Benefit Adder		$ 1,834,184	$ 3,096,192	$ 912,514	$ 162,947	$ 6,005,837	$ 135,103	$ 1,362,448	$ 336,634	$ 162,947	$ -	$ 912,514	$ 1,054,007	$ 1,549,116	$ 493,069	$ -	$ -	$ -	$ -	$ -	$ -
57 Low-Income Adder		$ 120,897	$ -	$ 9,125	$ 162,947	$ 292,969	$ -	$ 88,942	$ 31,955	$ 162,947	$ -	$ 9,125	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Benefits	*49+50+51+52+53+54+55+56+57*	**$ 28,152,270**	**$ 45,743,140**	**$ 13,502,955**	**$ 2,619,957**	**$ 90,018,321**	**$ 1,924,570**	**$ 21,148,450**	**$ 5,079,250**	**$ 2,619,957**	**$ -**	**$ 13,502,955**	**$ 16,305,838**	**$ 22,135,175**	**$ 7,302,127**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
COSTS																					
58 Lifetime Incremental Costs		$ 13,862,993	$ 17,501,734	$ 5,187,302	$ 1,768,846	$ 38,320,875	$ 2,100,181	$ 8,278,287	$ 3,484,525	$ 1,768,846	$ -	$ 5,187,302	$ 8,218,740	$ 5,737,383	$ 3,545,611	$ -	$ -	$ -	$ -	$ -	$ -
59 Lifetime Administration Costs		$ 7,927,177	$ 19,970,001	$ 5,826,774	$ 3,716,759	$ 38,067,228	$ 182,998	$ 6,499,790	$ 1,244,388	$ 3,716,759	$ -	$ 5,826,774	$ 5,890,811	$ 10,357,795	$ 3,721,396	$ -	$ -	$ -	$ 626,517	$ 649,721	$ 278,452
Total Costs	*58+59*	**$ 21,790,170**	**$ 37,471,735**	**$ 11,014,076**	**$ 5,485,604**	**$ 76,388,102**	**$ 2,283,179**	**$ 14,778,077**	**$ 4,728,914**	**$ 5,485,604**	**$ -**	**$ 11,014,076**	**$ 14,109,550**	**$ 16,095,178**	**$ 7,267,007**	**$ -**	**$ -**	**$ -**	**$ 626,517**	**$ 649,721**	**$ 278,452**
Benefit Cost Ratio	**(49+50+51+52+53+54+55+56+57)/(58+59)**	**1.3**	**1.2**	**1.2**	**0.5**	**1.2**	**0.8**	**1.4**	**1.1**	**0.5**	**n/a**	**1.2**	**1.2**	**1.4**	**1.0**	**n/a**	**n/a**	**n/a**	**0.0**	**0.0**	**0.0**

Sector/Program	New Jersey Cost Test (NJCT)	Societal Cost Test (SCT)	Total Resource Cost Test (TRC)	Participant Cost Test (PCT)	Program Administrator Cost Test (PAC)	Ratepayer Impact Measure Test (RIM)
Res	1.3	1.3	0.6	3.4	0.4	0.3
C&I	1.2	1.2	0.6	4.5	0.3	0.3
MF	1.2	1.2	0.5	5.4	0.3	0.2
LMI	0.5	0.4	0.2	5.1	0.1	0.1
Total Portfolio	1.2	1.2	0.5	4.2	0.3	0.3
Behavioral	0.8	0.9	0.4	1.9	0.4	0.3
EE products	1.4	1.4	0.6	3.8	0.5	0.3
Whole Home	1.1	1	0.5	3.3	0.3	0.2
Income Qualified (Moderate Income)	0.5	0.4	0.2	5.1	0.1	0.1
Income Qualified (Low Income)	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily	1.2	1.2	0.5	5.4	0.3	0.2
Prescriptive / Custom	1.2	1.2	0.5	1.9	0.5	0.4
Direct Install	1.4	1.3	0.7	7.3	0.3	0.3
Energy Solutions	1	1	0.5	5.7	0.2	0.2
Next Gen Savings	n/a	n/a	n/a	n/a	n/a	n/a

6f. Appendix F: Quantitative Performance Indicators

Appendix F: Quantitative Performance Indicators by Program Year (MFR VII.a & MFR VII.b)

	Net Annual Energy Savings (Source MMBtu)	Net Annual Demand Savings (Peak MW)	Net Annual Demand Savings (Peak-day therm)	Net Lifetime Energy Savings (Source MMBtu)	LMI and OBC Net Lifetime Energy Savings (Source MMBtu)	Small Business Net Lifetime Energy Savings (Source MMBtu)	Cost to Achieve ($/ Lifetime Source MMBtu)
Program Year 4	117,694		678	1,047,985	54,542	39,426	16.04
Program Year 5	270,540		1,856	2,655,751	128,421	112,214	17.78
Program Year 6	282,492		1,884	2,835,412	131,094	125,753	17.85
Portfolio Total	670,725		4,419	6,539,148	314,057	277,393	17.53

QPIs based only on lead fuel and include only energy efficiency

Legacy savings included in QPI savings, but legacy costs not included because they are accounted for in prior Triennia

6h. Appendix H: Incentive Ranges

Residential Sector Prescriptive Incentives (not including repayment plans)					
Program	**Measure [1]**	**Rebate Up To Value ($) GDC/EDC Consensus Rebate Strategy [2]**	**Unit Basis**	**Multifamily Income-Eligible Rebate Up To Value ($)**	**Existing Up To Value ($) Rebate Strategy**
	Smart Thermostats [3]	$150	Per thermostat	Same	$125
	Reset controls for boiler	$250	Per control	30% Incentive Adder	$125
	HVAC Maintenance	$250	Per furnace	30% Incentive Adder	$250
	HVAC Quality Install	$500	Per unit	Same	$450
	Gas Furnace (>=95%) Non-Condensing to Condensing	$900	Per furnace	Up to 100% incentive adder	$1,000
	Gas Combi Heat Tier 2(AFUE >= 97%)	$1,750	Per boiler	Up to 100% incentive adder	$1,750
	Gas Combi Heat Tier 1(AFUE >= 95%)	$1,300	Per boiler	Up to 100% incentive adder	$1,300
	Gas Boiler (>=90%) Non-Condensing to Condensing	$900	Per boiler	Up to 100% incentive adder	$1,000
	Gas Boiler (>=95%) Non-Condensing to Condensing	$1,000	Per boiler	Up to 100% incentive adder	$1,200
	Furnace Fans (ECM motor install)	$125	Per ECM motor	Same	N/A
	Tankless WH, UEF>=0.87	$500	Per Water Heater	Up to full cost of measure	$1,000
	Tankless WH, Energy Star	$750	Per Water Heater	Up to full cost of measure	$1,000

	Indirect - Fired Storage Tank Water Heater* (must be attached to at least a 90% AFUE Boiler)	$250	Per Water Heater	Up to 100% of incremental cost, plus a 100% adder	$250
	Gas Storage Tank Water Heater - Power Vented >55 gallons,UEF>.85 Medium Draw Pattern UEF ≥ 0.78 High Draw Pattern UEF ≥ 0.80	$400	Per Water Heater	Up to 100% of incremental cost, plus a 100% adder	$750
	Gas Storage Tank Water Heater - Power Vented <55 gallons,UEF>.64 Medium Draw Pattern UEF ≥ 0.64 High Draw Pattern UEF ≥ 0.68	$400	Per Water Heater	up to 100% of incremental cost, plus a 100% adder	$500
	Supplemental incentive for LMI customers (limited to qualifying HVAC equipment)	$300	per qualifying unit		$200
	Marketplace Products other than thermostat	Up to 50% discount	Per Unit		Up to 50% discount

Notes

1. - The utilities reserve the right to seek the addition of new measures and incentives within the annual update of the Program Year TRM ("PY TRM"). The utility will provide justification for their specific measure request for consideration by the TRM Committee. Where sufficient evidence is demonstrated, the TRM Committee may add the new measures and incentives as a proposed change to the next PY TRM, which shall follow the annual PY TRM update process before the measure is added to the PY TRM. The exact annual PY TRM update process is being drafted within the EM&V Working Group for consideration by the BPU for adoption in Triennium 2.
2. - All rebates will be offered equal to or less than the "Up To" value. Rebate value should not exceed the full measure cost. Tiered rebate amounts may be offered within the incentive ranges listed above for qualified measures that have varying applications or characteristics (e.g. size, features, etc.)
3. - The total rebate value for a smart thermostat will be up to $150 total between both fuel utilities.

Comprehensive Residential Programs (not including repayment plans)			
Program	**Subprogram**	**Description**	**Existing Rebate Strategy**
Whole Home [1]	Home Energy Assessment	Utilities may provide the home energy assessment at no additional cost or for a fee, which may be discounted for certain customers or for promotional periods to drive activity. The home energy assessment may include the direct installation of standard energy efficiency measures that are appropriate for their home	Under Quick Home Energy Checkup, no cost to customer for walk through audit with no cost or low cost measures installed at time of audit

	Whole House Projects	The following incentive structures may be used: Option A: Customer must have a minimum savings percentage of 5% based on modeled reduction of consumption. Rebate is \$2,000 + \$200 for each percentage point of savings above 5% \$6,000+\$200 per %savings>=20% Rebate Cap= \$7,500 OR Option B: Customer incentive will be based on the measures installed: *Weatherization Measures -* Up to 75% of costs for weatherization measures covered *Other EE Measures -* Based on list of prescriptive measures 100% of weatherization costs for savings >=20% Rebate Cap= \$7,500	Under Home Performance with Energy Star, customer must have a minimum savings percentage of 5% based on modeled reduction of consumption. Rebate is \$2,000 + \$200 for each percentage point of savings above 5%, up to \$6,000.
	Contractor Incentive	Up to \$500	Up to \$500

Income-Qualified	Income-Qualified Projects	The customer may receive no-cost energy efficiency measures and upgrades with an average project spending guideline ($14,000+$1,000 with Utility approval) and health and safety expense protocol ($2,500 or higher with Utility approval). The program will be designed to provide a greater level of benefits for low-income customers. Same average project spending guideline and H&S expense protocol as Comfort Partners additional measure cost eligible for financing.	Under Moderate-Income Weatherization, no up-front cost to customer for BPI-certified audit with up to $6,000 of direct install and weatherization measures and up to $1,500 on health and safety expenses. Under Low-Income (Comfort Partners) customers may receive no-cost energy efficiency measures and upgrades within project spending guideline and health and safety expense protocol.

Notes

1 - Multifamily Whole Building is shown on the Multifamily Schedule.

Commercial Sector Incentives (not including repayment plans)

Program	Prescriptive Measure [1]	Rebate Up To Value ($) EDC/GDC Consensus Rebate Strategy [2]	Unit Basis	Multifamily Income-Eligible Rebate Up to Value ($)	Existing Up to Rebate Values [4]
Energy Solutions for Businesses-Prescriptive Measures	**COOKING EQUIPMENT**				
	Commercial Rack Oven	$3,000	Per oven	Same	
	COMBINATION and CONVECTION OVENS				
	Convection Ovens	$600	Per Unit	Same	$400
	Commercial Conveyor Oven	$1,700	Per Unit	Same	N/A
	STEAM COOKERS				
	Commercial Steam Cooker	$150	Per Pan	Same	$150
	COMMERCIAL APPLIANCES				
	CLOTHES WASHER		Per Unit	Same	
	CEE Tier 1	$200	Per Unit	Same	$100
	CEE Tier 2	$350	Per Unit	Same	$200
	Commercial Kitchen Equipment (Natural Gas)				
	Demand Controlled Kitchen Ventilation (DCKV) only for units >5,000CFM	$1,500	Per HP of ventilation fan	Same	N/A
	Commercial Rack Oven (Gas)	$3,000	Per oven	Same	$1,000
	Commercial Modulating Gas Dryer Valve	$500	Per modulating gas dryer valve retrofit	Same	$150
	Commercial Griddle (Gas)	$1,500	Per griddle	Same	$500
	Commercial Fryer (Gas)	$1,000	Per fryer	Same	$750
	Commercial Dishwashers, Under Counter Low Temp	$400	Per dishwasher	Same	$400
	Commercial Dishwashers, Under Counter High Temp	$400	Per dishwasher	Same	$400

	Commercial Dishwashers, Single Tank Conveyor, Low Temp	$1,000	Per dishwasher	Same	$1,000
	Commercial Dishwashers, Single Tank Conveyor, High Temp	$1,500	Per dishwasher	Same	$1,500
	Commercial Dishwashers, Multiple Tank Conveyor, Low Temp	$1,500	Per dishwasher	Same	$1,500
	Commercial Dishwashers, Multiple Tank Conveyor, High Temp	$1,500	Per dishwasher	Same	$1,500
	Commercial Dishwashers, Door Type Low Temp	$700	Per dishwasher	Same	$700
	Commercial Dishwashers, Door Type High Temp	$750	Per dishwasher	Same	$750
	Ventilation with Heat Recovery Gas HRV	$8	Per CFM	Same	N/A
	Ventilation with Heat Recovery Gas ERV	$8	Per CFM	Same	N/A
	Boilers & Water Heaters (Natural Gas)				
	Stack Economizer for Boilers	$11	Per MBH	Up to 30% incentive adder	Up to full cost of measure
	Non-condensing-to-Condensing Gas Furnace > 97% AFUE	$1,500	Per furnace	Up to 30% incentive adder	$1,500
	Non-condensing-to-Condensing Gas Furnace > 95% AFUE	$1,150	Per furnace	Up to 30% incentive adder	$1,000
	Gas Fired Low Intensity Infrared Heating >100MBH	$2,000	Per infrared heater	Up to 30% incentive adder	$500
	Gas Fired Low Intensity Infrared Heating <100MBH	$2,000	Per infrared heater	Up to 30% incentive adder	$750
	Gas Engine Driven Chillers	$400	Per ton	Up to 30% incentive adder	$350
	Gas Absorption Chillers, 100 to 400 tons	$400	Per ton	Up to 30% incentive adder	$230

	Gas Absorption Chillers, > 400 tons	$400	Per ton	Up to 30% incentive adder	$185
	Gas Absorption Chillers, < 100 tons	$450	Per ton	Up to 30% incentive adder	$450
	Furnace Tune-up	$250	per MBh	Up to 30% incentive adder	$250
	Other Gas Heat >+97%	$3,000	Per unit	Up to 100% incentive adder	new
	Demand Control Ventilation	$2,500	Per system installed	Up to 30% incentive adder	N/A
	Condensing Unit Heater 90% AFUE	$750	Per MBH	Up to 30% incentive adder	$36
	Commercial Gas Heat Pumps	$3,000	Per gas heat pump	Up to 30% incentive adder	N/A
	Boiler, Steam Natural Draft, > 2,500 MBH (81% TE)	$3	Per MBH	Up to 30% incentive adder	$1
	Boiler, Steam Natural Draft, < 300 to 2,500 MBH (81% TE)	$2	Per MBH	Up to 30% incentive adder	$1
	Boiler, Steam All Except Natural Draft, 300 to 2,500 MBH (81% TE)	$2	Per MBH	Up to 30% incentive adder	$2
	Boiler, Steam All Except Natural Draft, > 2,500 MBH (81% TE)	$3	Per MBH	Up to 30% incentive adder	$2
	Boiler, Steam < 300 MBH Input (82% AFUE)	$3	Per MBH	Up to 30% incentive adder	$2

	Boiler, HW Condensing - Tier 2, 300 to 2,500 MBH (>94% TE)	$9	Per MBH	Up to 30% incentive adder	$4
	Boiler, HW Condensing - Tier 2, > 2,500 MBH (>81%TE)	$9	Per MBH	Up to 30% incentive adder	$4
	Non-condensing-to-Condensing Boiler, HW Condensing - Tier 2, < 300 MBH (>95% AFUE)	$9	Per MBH	Up to 30% incentive adder	$1200 per Boiler
	Boiler, HW Condensing - Tier 1, 300 to 2,500 MBH (88%TE)	$4	Per MBH	Up to 30% incentive adder	$4
	Boiler, HW Condensing - Tier 1, > 2,500 MBH (88% TE)	$5	Per MBH	Up to 30% incentive adder	$4
	Non-condensing-to-Condensing Boiler, HW Condensing - Tier 1, < 300 MBH (>90% AFUE)	see residential value - $1,000	Per boiler	Up to 30% incentive adder	$1000 per Boiler
	Boiler w/Reset Controls	$1	Per control	Up to 30% incentive adder	$1
	Boiler Tune-up	$1	per MBH	Up to 30% incentive adder	$1
	Boiler HW Non-condensing, 300 to 2,500 MBH (85% TE)	$5	Per MBH	Up to 30% incentive adder	$2
	Boiler HW Non-condensing, > 2,500 MBH (85% TE)	$3	Per MBH	Up to 30% incentive adder	$2
	Boiler HW Non-condensing, < 300 MBH (85% AFUE)	$6	Per MBH	Up to 30% incentive adder	$2

	Boiler Economizer Controls, > 4 MMBtu	$2,700	Per MBH	Up to 30% incentive adder	$2,700
	Boiler Economizer Controls, 3.5 to 4 MMBtu	$2,400	Per MBH	Up to 30% incentive adder	$2,400
	Boiler Economizer Controls, 3 to 3.5 MMBtu	$2,100	Per MBH	Up to 30% incentive adder	$2,100
	Boiler Economizer Controls, 1.6 to 3 MMBtu	$1,800	Per MBH	Up to 30% incentive adder	$1,800
	Boiler Economizer Controls, 0.8 to 1.6 MMBtu	$1,500	Per MBH	Up to 30% incentive adder	$1,500
	Boiler Economizer Controls, < 800,000 Btu	$1,200	Per MBH	Up to 30% incentive adder	$1,200
Energy Solutions for Businesses- Prescriptive Measures	**OTHER HVAC EQUIPMENT (Natural Gas)**				
	Thermostat - Smart	$150	Per thermostat	Up to 30% incentive adder	$125
	SBDI - Stand Alone Storage Water Heaters	N/A	Per Water Heater	N/A	N/A
	SBDI - Pipe Insulation	N/A	Per foot	N/A	N/A
	SBDI - Low Flow Pre-rinse Spray Valves	N/A	Per valve	N/A	N/A
	SBDI - Instantaneous Water Heaters	N/A	Per Water Heater	N/A	N/A
	Pre-Rinse Spray Valve	$100	Per valve	Up to 30% incentive adder	$75
	HW Recirculating System with demand control	$2,800	Per Water Heater	Up to 30% incentive adder	$100

	DHW, Instant, Gas-Fired, > 200,000 Btuh, > 90% TE (Should be TE Thermal Efficiency)	$2,000	Per Water Heater	Up to 30% incentive adder	$1,000
	DHW, Instant, Gas-Fired, < 200,000 Btuh, > 90% TE (Should be TE Thermal Efficiency)	$750	Per MBH	Up to 30% incentive adder	$750
	DHW Storage, Gas-Fired, 75,000 to 105,000 Btuh, > 94% TE (Should be TE Thermal Efficiency)	$750	Per Water Heater	Up to 30% incentive adder	$500
	DHW Storage, Gas-Fired, 75,000 to 105,000 Btuh, > 82% TE (Should be TE Thermal Efficiency)	$500	Per Water Heater	Up to 30% incentive adder	$750
	DHW Storage, Gas-Fired, > 105,000 Btuh (105 MBH), > 94% TE (Should be TE Thermal Efficiency)	$800	Per MBH	Up to 30% incentive adder	$750
	DHW Storage, Gas-Fired, > 105,000 Btuh (105 MBH), > 82% TE (Should be TE Thermal Efficiency)	$500		Up to 30% incentive adder	$500
	DHW Storage, Gas-Fired, < 75,000 Btuh, (>55gallons) (75 MBH) > 0.81 UEF	$1,000		Up to 30% incentive adder	$500
	DHW Storage, Gas-Fired, < 75,000 Btuh, (<55gallons), (75 MBH) > 0.67 EF or 0.64 UEF	$600		Up to 30% incentive adder	$350
	Condensing Integrated Boiler and Water Heater (<300MBH,90 AFUE)	$2,500		Up to 30% incentive adder	$2,500
	Condensing Integrated Boiler and Water Heater (>300MBH, 94TE)	$2,500		Up to 30% incentive adder	$2,500

	CUSTOM PROJECTS				
Custom	For example: Compressed Air, Refrigeration, Data Center Equipment/Servers, HVAC/Chillers, HVAC Controls, Motors/VFD - Large, Building Improvements, Process Improvements, Agricultural Lighting/Process, Custom Lighting, Demand Controlled Ventilation, Energy Recovery Ventilator, Heat Recovery Ventilator	75% of total project(s) cost as identified in a final energy efficiency plan (FEEP) or equivalent. Total project costs may include pre-engineering costs, soft costs, and other costs associated with the preparation of the FEEP; and For all lighting measures: \$0.16/kWh per projected kWh saved annually; for all other measures: \$0.33 per projected kWh saved annually; \$3.75 per	per kWh	Up to 30% incentive adder	Incentives are calculated based on the lesser of two factors. 50% of project cost, or \$0.35/kWh saved in the first year.

		projected therms saved annually, all as identified in the FEEP(s); and $4,000,000 per entity per fiscal year, determined by summing the commitments associated with each FEEP approval made during the applicable fiscal year. or The amount necessary to buy down to no less than a two-year payback.			
	ENERGY MANAGEMENT				

	Bldg. - Tune-Up	Consensus EDC/GDC Incentive Strategy	% of Project Cost		Existing Incentive Up to Value
Energy Solutions for Businesses- Prescriptive Measures	Gas Optimization	$10.00 / therm	Up to 80%		Up to 70% of Project Cost w project cap of $75,000
	Boiler Tuneup	$10.00 / therm	Up to 80%		
	Furnace Tuneup	$600	Up to 80%		
	HVAC Tune-Up				
	Boiler Tuneup	$10.00 / Therm	Up to 80%		$1 per MBH
	Furnace Tuneup	$600	Up to 80%		$250
	Retro-comissioning				
	RCx Services (Audit, Implementation, M&V) (for trade ally services only)	-	Up to 100%		N/A
	Customer/Trade Ally Incentive for verified energy savings	$0.64 / kWh and $10.00 / therm	Up to 70%		Up to $0.35 per kWh
	BOC Training				
	Building Operations Training	Up to 70%	$1,000 / Applicant cap		Up to 70% of the cost to attend qualified BOC training up to $1000 per person.
	Strategic Energy Mgmt.				
	SEM Services (Audit, Implementation, M&V)	-	Up to 100%		N/A
	Customer Incentive for verified energy savings	$0.64 / kWh and $10.00 / therm	Up to 70%		Up to $0.35 / kWh
	Virtual Commissioning VCx				
		$0.30 / kWh			Up to $0.35 per kWh
	Monitoring Based Commissioning				

	MBCx (Audit, Implementation, M&V)		Up to 100%		N/A
	Customer Incentive for verified energy savings	$0.64 / kWh	Up to 70%		Up to $0.35 per kWh

Notes

1 - The utilities reserve the right to seek the addition of new measures and incentives within the annual update of the Program Year TRM ("PY TRM"). The utility will provide justification for their specific measure request for consideration by the TRM Committee. Where sufficient evidence is demonstrated, the TRM Committee may add the new measures and incentives as a proposed change to the next PY TRM, which shall follow the annual PY TRM update process before the measure is added to the PY TRM. The exact annual PY TRM update process is being drafted within the EM&V Working Group for consideration by the BPU for adoption in Triennium 2.

2 - All rebates will be offered equal to or less than the "Up to" value. Rebate value should not exceed the full measure cost.

3 - The total rebate value for a smart thermostat will be up to $150 total between both fuel Utilities

4 - Existing up-to rebate values may vary by program administrator.

Comprehensive Commercial Programs (not including repayment plans)			
Program	**Category**	**Description of Approach to Incentives [1 & 2]**	**Existing Incentives [3]**

Direct Install	Tier 1	For Tier 1 customers the program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan. Tier 1 will serve all customers with an average annual individual facility peak electrical demand of up to 100 kW and an average annual natural gas load of up to 5,000 therms.	For Tier 1 customers, standard basic energy savings measures may be installed at no cost during the time of the energy assessment. The program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through an available repayment option. Customers located in an Urban Enterprise Zone, Opportunity Zone, owned or operated by a local government, or K-12 public schools. may also qualify for Tier 1 status, up to an average individual facility peak electrical demand of 200 kW .
	Tier 2	For Tier 2 customers, program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan. Tier 2 will serve all customers with an average annual individual facility peak demand of up to 300 kW or average annual natural gas load of 40,000 therms located within an Urban Enterprise Zone ("UEZ"), Opportunity Zone, Overburdened Community ("OBC"). Also eligible are customers with an average annual individual facility peak demand of up to 300 kW or an average annual natural gas load of 40,000 therms that are owned or operated by a local government, K-12 public schools, or that are non-profits categorized as 501(c)3.	Tier 2 will serve the larger segment of eligible customers, with an average individual facility peak electrical demand of 101 - 200 kW over the past 12 months. Incentives up to 70% of the total project cost will be offered.

	Tier 3	Tier 3 will serve the larger segment of eligible customers, with an individual facility average annual peak electrical demand of 101 - 300 kW or 5,001 therms to 40,000 therms over the past 12 months. Incentives up to 70% of the total project cost will be offered with the participating customer repaying the balance not covered through the incentive either in a lump sum or through a repayment plan.	N/A - new
Energy Solutions	Engineered Solutions - Tier 1	Will provide a 100% incentive for an up-front audit, the specific audit level will be determined on a project-by-project basis based on the complexity of the facility and the potential energy efficiency measures. In addition, the Utilities will buy-down the simple payback of the recommended energy-efficiency project cost for approved measures by up to six years, with the resulting payback not less than three years. After the project incentive buy-down, the remaining project costs may be funded by the program with participants repaying the balance of the project costs through a repayment plan.	The subprogram will provide a 100% incentive for an up-front ASHRAE audit, the specific audit level will be determined on a project by project basis based on the complexity of the facility and the potential energy efficiency measures. In addition, ETG will buy-down the simple payback of the recommended energy-efficiency project cost for approved measures by up to six years, with the resulting payback not less than three years. After the project incentive buy-down, the remaining project costs may be funded by the subprogram with participants repaying the balance of the project costs through OBRP or access to financing with similar terms.
	Engineered Solutions - Tier 2	Incentives for the Engineered Solutions Tier 2 pathway will provide incentives for both technical assistance services and other project costs determined on a project-by-project basis using a cost effectiveness tool up to 60% of project cost.	

	Energy Management	Incentives for the Energy Management pathway are structured around the measure categories that focus on specific energy efficiency measures and management practices as follows: **HVAC Tune-Up**: Fixed incentives for the implementation of the tune-up measures based on the size of the HVAC units. **Building Tune-Up:** Incentives that cover up to 80% of the project cost and up to 70% of the cost to attend qualified BOC training up to $1000 per person. **Retro-Commissioning:** Incentives to cover up to 100% of the initial cost to perform the required ASHRAE level audit. The total project incentive will be capped at up to 70% of the project cost. The customer may also be paid a custom incentive for the implementation of the energy efficiency measures determined through the audit. **Monitoring-based Commissioning, Virtual Commissioning:** Incentives to cover up to 100% of the cost of integration of third-party hardware and software. Utilities may also implement a performance-based model with an implementation contractor where the Utility only pays for delivered and verified energy savings. **Strategic Energy Management:** The Utility or third-party implementation contractor may perform an engineering assessment of the customer's facility to develop a SEMP or the customer may choose to utilize a consultant of their choosing to perform an engineering assessment to develop the SEMP. Customers who utilize a consultant will	Incentives for the Energy Management pathway are structured around the measure categories that focus on specific energy efficiency measures and management practices as follows: **HVAC Tune-Up**: Fixed incentives for the implementation of the tune-up measures based on the size of the HVAC units up to $250 value. **Building Tune up**: Incentives that cover up to 70% of the project cost with a project cap of $75,000 and up to 70% of the cost to attend qualified BOC training up to $1,000 per person. **Retro-Commissioning**: Incentives to cover up to 50% of the initial cost to perform the required ASHRAE level audit, and the remaining cost upon the customer commitment to implementation of energy efficiency measures defined by the audit. The customer will also be paid a custom incentive for the implementation of the energy efficiency measures determined through the audit. The total audit and project incentive will be capped at up to 70% of the project cost. **Strategic Energy Management**: Customers who utilize a consultant will receive an incentive to cover up to 50% of the initial cost of the engineering assessment, with the remaining cost upon the customer commitment to implementation of energy efficiency measures defined by the SEMP process. A tiered incentive structure for Customer engineering assessment will be utilized based upon square footage of Customer's facility. The SEMP will identify short, medium, and long-term goals for the customer and will set identifiable metrics for mapping to the plan. For the implementation of the

		receive an incentive to cover up to 100% of the initial cost of the engineering assessment. A tiered incentive structure for customer engineering assessment may be utilized based upon square footage of a customer's facility. The SEMP will identify short, medium and long-term goals for the customer and will set identifiable metrics for mapping to the plan. For the implementation of the energy efficiency measures determined by the SEMP, the customer will be paid an incentive that is commensurate with the applicable Commercial & Industrial Program offering that the measures are attributed.	energy efficiency measures determined by the SEMP, the customer will be paid an incentive that is commensurate with the applicable Commercial & Industrial Program offering that the measures are attributed.

Notes

1 - The utilities reserve the right to seek the addition of new measures and incentives within the annual update of the Program Year TRM ("PY TRM"). The utility will provide justification for their specific measure request for consideration by the TRM Committee. Where sufficient evidence is demonstrated, the TRM Committee may add the new measures and incentives as a proposed change to the next PY TRM, which shall follow the annual PY TRM update process before the measure is added to the PY TRM. The exact annual PY TRM update process is being drafted within the EM&V Working Group for consideration by the BPU for adoption in Triennium 2.

2 - All rebates will be offered equal to or less than the "Up To" value.

3 - Represents current incentives and does not including financing incentives. See Section 4H.

Multifamily Incentives (not including repayment plans)				
Program	**Pathway**	**Measure [1]**	**Rebate Strategy [2]**	**Existing Rebate Strategy**
Multifamily	N/A	Prescriptive	Please refer to the Residential and Commercial Schedules. Note the additional column for income eligible projects	Energy Assessment with the equipment and installation costs for the standard energy savings measures will be provided to eligible properties with "Up to 100%" of the cost provided by the program.
		MF Whole Building (successor to current MF HPwES Program)	Tiered incentive cash rebate not to exceed 50% of the costs of the measures used to calculate Total Energy Savings, up to $1,750 per unit. - Contractor production incentive of up to $50 per unit. (Will stay with the lead Utility.)	- Tiered incentive cash rebate not to exeed 50% of the costs of the measures used to calculate Total Energy Savings, up to $1,500 per unit - Up to $50 contractor production incentive per unit
		MF Direct Install	Provide incentives consistent with proposed Tiers within Small Business Direct Install Program	N/A
		MF Energy Solutions (ES)- regular customers	Follow structure of C&I Energy Solutions	- Program will buy-down the simple payback of the recommended energy-efficiency project cost for approved measures by up to six years, with the resulting payback not less than three years.
		MF Energy Solutions - special Income Eligible treatment	For Engineered Solutions Tier 1 – Keep to 6 year buydown. For Engineered Solutions Tier 2 – Increase the incentive up to 80% of project costs.	N/A- No special treatment

Notes

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2. All rebates will be offered equal to or less than the "Up to" value.

REDLINE

RIDER "E"

ENERGY EFFICIENCY PROGRAM ("EEP")

Applicable to all Customers except those Customers under special contracts as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program ("LCAPP"), P.L. 2011 c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of the SBC, Rider "D."

The EEP shall be collected on a per therm basis and shall remain in effect until changed by order of the BPU. The applicable EEP rate is as follows:

~~Docket No. GR22070464, per a four-year amortization~~ Legacy	$0.0006 per therm
~~Docket No. GR22070464, per a ten-year amortization~~ Triennium 1	$0.0162 per therm
Triennium 2	$0.0102 per therm
TOTAL	$0.0270~~0168~~ per therm

The rate applicable under this Rider includes provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

In the "Global Warming Act," *N.J.S.A.*26-2C-45. or "RGGI Legislation" the State Legislature determined that global warming is a pervasive and dangerous threat that should be addressed through the establishment of a statewide greenhouse gas emissions reduction program. On May 8, 2008, the Board issued an Order (the "RGGI Order") pursuant to *N.J.S.A.* 48:3-98.1(c). The RGGI Order allowed electric and gas public utilities to offer energy efficiency and conservation programs on a regulated basis. The Company's energy efficiency programs were first authorized pursuant to Board orders issued in Docket Nos. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, GR16070618, ~~and~~ GO18070682, and GO20090619. The Company's current energy efficiency programs are effective through ~~June 30~~December 31, 2024. On May 23, 2018, the Clean Energy Act of 2018 ("CEA" or the "Act") was signed into law. The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO19010040, QO19060748 and QO17091004 ~~Dated~~ dated June 10, 2020, ("the 2020 Orders"). The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO19010040, QO23030150 and QO17091004 dated May 24, 2023, ("the 2023 Orders"). The EEP enables the Company to recover all costs associated with energy efficiency programs approved by the Board.

CLEAN

RIDER "E"

ENERGY EFFICIENCY PROGRAM (“EEP”)

Applicable to all Customers except those Customers under special contracts as filed and approved by the BPU and those customers exempted pursuant to the Long-Term Capacity Agreement Pilot Program (“LCAPP”), P.L. 2011 c.9, codified as N.J.S.A. 48:3-60.1. See the LCAPP Exemption Procedures at the end of the SBC, Rider “D.”

The EEP shall be collected on a per therm basis and shall remain in effect until changed by order of the BPU. The applicable EEP rate is as follows:

Legacy	$0.0006 per therm
Triennium 1	$0.0162 per therm
Triennium 2	$0.0102 per therm
TOTAL	$0.0270 per therm

The rate applicable under this Rider includes provision for the New Jersey Sales and Use Tax, and when billed to customers exempt from this tax shall be reduced by the amount of such tax included therein.

In the "Global Warming Act," *N.J.S.A.*26-2C-45. or "RGGI Legislation" the State Legislature determined that global warming is a pervasive and dangerous threat that should be addressed through the establishment of a statewide greenhouse gas emissions reduction program. On May 8, 2008, the Board issued an Order (the "RGGI Order") pursuant to *N.J.S.A.* 48:3-98.1(c). The RGGI Order allowed electric and gas public utilities to offer energy efficiency and conservation programs on a regulated basis. The Company’s energy efficiency programs were first authorized pursuant to Board orders issued in Docket Nos. EO09010056 and GO09010060. They were subsequently extended pursuant to Board orders issued in GO10070446, GO11070399, GO12100946, GO15050504, GR16070618, GO18070682, and GO20090619. The Company’s current energy efficiency programs are effective through December 31, 2024. On May 23, 2018, the Clean Energy Act of 2018 (“CEA” or the “Act”) was signed into law. The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO19010040, QO19060748 and QO17091004 dated June 10, 2020, (“the 2020 Orders”). The BPU directed utilities to file changes pursuant to Board orders issued in Docket Nos. QO19010040, QO23030150 and QO17091004 dated May 24, 2023, (“the 2023 Orders”). The EEP enables the Company to recover all costs associated with energy efficiency programs approved by the Board.

ETG Energy Efficiency Program Minimum
Filing Requirements for Rate Filing
Minimum Filing Requirements (MFRs)

1. Information on direct FTE employment impacts, including a breakdown by each of the Board approved ETG EE programs. The Company will not be responsible for addressing the level of employment activity for HVAC and/or HPES contractors that are hired by customers unless those contractors are hired by ETG.

2. A monthly revenue requirement calculation based on EE Program expenditures, including the investment and cost components showing the actual monthly revenue requirement for each of the past 12 months or clause-review period, as well as supporting calculations, including the information related to the tax rate and revenue multiplier used in the revenue requirement calculation. The utility shall provide electronic copies of such supporting information, with all inputs and formulae intact, where applicable.

3. For the review period, actual clause revenues, by month and by rate class recorded under the EE Program.

4. Monthly beginning and ending clause deferred balances related to the EE Program, as well as the average deferred balance, net of tax, for the actual 12-month period and forecast period.

5. The interest rate used each month for over/under deferred balance recoveries related to the EE Program, and all supporting documentation and calculations for the interest rate.

6. The interest expense to be charged or credited to ratepayers each month.

7. A schedule showing budgeted versus actual EE Program costs by the following categories: administrative (all utility costs); marketing/sales; training; rebates/incentives, including inspections and quality control; program implementation (all contract costs); evaluation; and any other costs. To the extent that the Board directs New Jersey's Clean Energy Program to report additional categories, the utility shall provide additional categories, as applicable.

8. A schedule showing budgeted versus actual EE Program revenues.

9. The monthly journal entries utilized (including the accounts and account numbers) relating to regulatory asset and deferred O&M expenses related to the EE Program for the actual 12-month review period.

10. Supporting details for all administrative costs related to the EE Program included in the revenue requirement.

11. Information supporting the carrying cost used for the unamortized costs of the EE program.

12. Number of program participants for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.

13. Estimated demand and energy savings for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.

14. Estimated emissions reductions for each of the Board approved ETG EE programs, including a breakdown by sub-program, if applicable.

15. Testimony supporting the annual true-up petition.

16. If the Company is filing for an increase in rates, the Company shall include a draft public notice with the annual true-up petition and proposed publication dates.

17. For programs that provide incentives for conversion of energy utilization to natural gas from other energy sources (e.g., converting from electric to gas furnaces), the Company shall identify:
    i. the number of such projects;
    ii. an estimate of the increase in annual gas demand and energy associated with these projects; and
    iii. the avoided use of electricity and/or other fuels.

18. In areas where gas and electric service territories overlap, the Company shall provide:
    i. The number of projects in progress and completed.
        a. For each project, identify which utility is the lead utility providing the program services and the partner utility with whom the services were coordinated.

19. Tariff pages in clean and redline versions.

20. Net impact of the proposed rate changes.

21. The impact of the proposed rate changes on the bill of a typical residential customer with workpapers supporting this calculation

ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP")
Annual Revenue Requirement (Program Year)

	Total Program Budget $ 219,905,682	Jan 25 - Jun 25 Year 1	July 25 - Jun 26 Year 2	July 26 - Jun 27 Year 3
DIRECT PROGRAM INVESTMENTS				
	Sum of Years 1-3			
Annual Investment	$ 133,459,727	$ 19,506,295	$ 55,281,751	$ 58,671,681
Cumulative Investment		$ 19,506,295	$ 74,788,046	$ 133,459,727
Less Accumulated Amortization		$ (568,934)	$ (5,513,991)	$ (16,170,845)
Less Accumulated Deferred Tax		$ (5,323,292)	$ (19,472,937)	$ (32,969,905)
Net Investment		$ 13,614,069	$ 49,801,118	$ 84,318,977
Rate of Return (Pre Tax)		8.78%	8.78%	8.78%
Required Net Operating Income		$ 351,127	$ 2,945,187	$ 6,044,797
	Sum of Years 1-3			
Incremental O&M Pre Tax	$ 2,316,648	$ 558,879	$ 863,618	$ 894,150
Pre Tax Amortization		$ 568,934	$ 4,945,058	$ 10,656,854
Operating Income		$ 1,478,940	$ 8,753,863	$ 17,595,801
Revenue Factor		1.009678	1.009678	1.009678
Revenue Requirement Excluding SUT		$ 1,493,253	$ 8,838,583	$ 17,766,093
OBR PROGRAM INVESTMENTS				
	Sum of Years 1-3			
Annual Investment	$ 71,704,386	$ 10,097,357	$ 28,963,405	$ 32,643,624
Less OBR Repayments		$ (417,034)	$ (3,651,391)	$ (8,035,016)
OBR Write-offs		$ -	$ -	$ -
Net Investment		$ 9,680,324	$ 25,312,014	$ 24,608,608
Cumulative Investment		$ 9,680,324	$ 34,992,337	$ 59,600,945
Rate of Return (Pre Tax)		8.78%	8.78%	8.78%
Required Net Operating Income		$ 250,440	$ 2,083,529	$ 4,276,258
	Sum of Years 1-3			
Incremental O&M Pre Tax	$ 12,424,922	$ 1,897,168	$ 5,195,673	$ 5,332,081
Operating Income		$ 2,147,608	$ 7,279,203	$ 9,608,339
Revenue Factor		1.009678	1.009678	1.009678
Revenue Requirement Excluding SUT		$ 2,168,392	$ 7,349,651	$ 9,701,328
RATE CALCULATION				
Revenue Requirement For Direct Investments Excluding SUT		$ 1,493,253	$ 8,838,583	$ 17,766,093
Revenue Requirement For OBRs Programs Excluding SUT		$ 2,168,392	$ 7,349,651	$ 9,701,328
OBR Write-off Recovery		$ -	$ -	$ -
Prior Year (Over)/Under Recovered Deferred Balance Inc. Carrying Costs		$ -	$ 522,374	$ 1,371,612
Total Revenue Requirements		$ 3,661,646	$ 16,710,607	$ 28,839,033
Therms		383,266,199	501,901,937	501,901,937
Rate Per Therm, Excluding SUT		$ 0.0096	$ 0.0333	$ 0.0575
SUT		$0.0006	$0.0022	$0.0038
Rate Per Therm, Including SUT		$0.0102	$0.0355	$0.0613

ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP")
Annual Revenue Requirement (Program Year)

	July 27 - Jun 28 Year 4	July 28 - Jun 29 Year 5	July 29 - Jun 30 Year 6	July 30 - Jun 31 Year 7	July 31 - Jun 32 Year 8
DIRECT PROGRAM INVESTMENTS					
Annual Investment	$ -	$ -	$ -	$ -	$ -
Cumulative Investment	$ 133,459,727	$ 133,459,727	$ 133,459,727	$ 133,459,727	$ 133,459,727
Less Accumulated Amortization	$ (29,516,818)	$ (42,862,790)	$ (56,208,763)	$ (69,554,736)	$ (82,900,708)
Less Accumulated Deferred Tax	$ (29,218,352)	$ (25,466,799)	$ (21,715,246)	$ (17,963,693)	$ (14,212,140)
Net Investment	$ 74,724,557	$ 65,130,137	$ 55,535,718	$ 45,941,298	$ 36,346,878
Rate of Return (Pre Tax)	8.78%	8.78%	8.78%	8.78%	8.78%
Required Net Operating Income	$ 6,946,912	$ 6,104,521	$ 5,262,131	$ 4,419,741	$ 3,577,351
Incremental O&M Pre Tax	$ -	$ -	$ -	$ -	$ -
Pre Tax Amortization	$ 13,345,973	$ 13,345,973	$ 13,345,973	$ 13,345,973	$ 13,345,973
Operating Income	$ 20,292,884	$ 19,450,494	$ 18,608,104	$ 17,765,714	$ 16,923,324
Revenue Factor	1.009678	1.009678	1.009678	1.009678	1.009678
Revenue Requirement Excluding SUT	$ 20,489,279	$ 19,638,736	$ 18,788,193	$ 17,937,651	$ 17,087,108
OBR PROGRAM INVESTMENTS					
Annual Investment	$ -	$ -	$ -	$ -	$ -
Less OBR Repayments	$ (10,153,652)	$ (10,153,652)	$ (10,153,652)	$ (10,153,652)	$ (9,736,618)
OBR Write-offs	$ (62,882)	$ (62,882)	$ (62,882)	$ (62,882)	$ (62,882)
Net Investment	$ (10,216,534)	$ (10,216,534)	$ (10,216,534)	$ (10,216,534)	$ (9,799,501)
Cumulative Investment	$ 49,384,411	$ 39,167,877	$ 28,951,343	$ 18,734,808	$ 8,935,308
Rate of Return (Pre Tax)	8.78%	8.78%	8.78%	8.78%	8.78%
Required Net Operating Income	$ 4,747,082	$ 3,850,070	$ 2,953,058	$ 2,056,047	$ 1,167,172
Incremental O&M Pre Tax	$ -	$ -	$ -	$ -	$ -
Operating Income	$ 4,747,082	$ 3,850,070	$ 2,953,058	$ 2,056,047	$ 1,167,172
Revenue Factor	1.009678	1.009678	1.009678	1.009678	1.009678
Revenue Requirement Excluding SUT	$ 4,793,024	$ 3,887,331	$ 2,981,638	$ 2,075,945	$ 1,178,468
RATE CALCULATION					
Revenue Requirement For Direct Investments Excluding SUT	$ 20,489,279	$ 19,638,736	$ 18,788,193	$ 17,937,651	$ 17,087,108
Revenue Requirement For OBRs Programs Excluding SUT	$ 4,793,024	$ 3,887,331	$ 2,981,638	$ 2,075,945	$ 1,178,468
OBR Write-off Recovery	$ 62,882	$ 62,882	$ 62,882	$ 62,882	$ 62,882
Prior Year (Over)/Under Recovered Deferred Balance Inc. Carrying Costs	$ 1,402,697	$ (239,890)	$ (393,809)	$ (230,076)	$ (183,333)
Total Revenue Requirements	$ 26,747,882	$ 23,349,059	$ 21,438,904	$ 19,846,402	$ 18,145,125
Therms	501,901,937	501,901,937	501,901,937	501,901,937	501,901,937
Rate Per Therm, Excluding SUT	$ 0.0533	$ 0.0465	$ 0.0427	$ 0.0395	$ 0.0362
SUT	$0.0035	$0.0031	$0.0028	$0.0026	$0.0024
Rate Per Therm, Including SUT	$0.0568	$0.0496	$0.0455	$0.0421	$0.0386

ELIZABETHTOWN GAS COMPANY
ENERGY EFFICIENCY PROGRAM ("EEP")
Annual Revenue Requirement (Program Year)

	July 32 - Jun 33 Year 9	July 33- Jun 34 Year 10	July 34- Jun 35 Year 11	July 35- Jun 36 Year 12	July 36- Jun 37 Year 13
DIRECT PROGRAM INVESTMENTS					
Annual Investment	$ -	$ -	$ -	$ -	$ -
Cumulative Investment	$ 133,459,727	$ 133,459,727	$ 133,459,727	$ 133,459,727	$ 133,459,727
Less Accumulated Amortization	$ (96,246,681)	$ (109,592,654)	$ (122,369,693)	$ (130,770,608)	$ (133,459,727)
Less Accumulated Deferred Tax	$ (10,460,587)	$ (6,709,034)	$ (3,117,408)	$ (755,911)	$ (0)
Net Investment	$ 26,752,458	$ 17,158,039	$ 7,972,625	$ 1,933,207	$ (0)
Rate of Return (Pre Tax)	8.78%	8.78%	8.78%	8.78%	8.78%
Required Net Operating Income	$ 2,734,961	$ 1,892,571	$ 1,058,161	$ 383,896	$ 47,149
Incremental O&M Pre Tax	$ -	$ -	$ -	$ -	$ -
Pre Tax Amortization	$ 13,345,973	$ 13,345,973	$ 12,777,039	$ 8,400,915	$ 2,689,119
Operating Income	$ 16,080,934	$ 15,238,544	$ 13,835,200	$ 8,784,811	$ 2,736,267
Revenue Factor	1.009678	1.009678	1.009678	1.009678	1.009678
Revenue Requirement Excluding SUT	$ 16,236,565	$ 15,386,023	$ 13,969,097	$ 8,869,830	$ 2,762,749
OBR PROGRAM INVESTMENTS					
Annual Investment	$ -	$ -	$ -	$ -	$ -
Less OBR Repayments	$ (6,502,261)	$ (2,118,636)	$ 0	$ 0	$ 0
OBR Write-offs	$ (62,882)	$ (62,882)	$ (62,882)	$ (62,882)	$ (62,882)
Net Investment	$ (6,565,143)	$ (2,181,518)	$ (62,882)	$ (62,882)	$ (62,882)
Cumulative Investment	$ 2,370,164	$ 188,646	$ 125,764	$ 62,882	$ 0
Rate of Return (Pre Tax)	8.78%	8.78%	8.78%	8.78%	8.78%
Required Net Operating Income	$ 442,493	$ 70,765	$ 13,573	$ 8,052	$ 2,530
Incremental O&M Pre Tax	$ -	$ -	$ -	$ -	$ -
Operating Income	$ 442,493	$ 70,765	$ 13,573	$ 8,052	$ 2,530
Revenue Factor	1.009678	1.009678	1.009678	1.009678	1.009678
Revenue Requirement Excluding SUT	$ 446,775	$ 71,450	$ 13,704	$ 8,129	$ 2,555
RATE CALCULATION					
Revenue Requirement For Direct Investments Excluding SUT	$ 16,236,565	$ 15,386,023	$ 13,969,097	$ 8,869,830	$ 2,762,749
Revenue Requirement For OBRs Programs Excluding SUT	$ 446,775	$ 71,450	$ 13,704	$ 8,129	$ 2,555
OBR Write-off Recovery	$ 62,882	$ 62,882	$ 62,882	$ 62,882	$ 62,882
Prior Year (Over)/Under Recovered Deferred Balance Inc. Carrying Costs	$ (237,963)	$ (222,237)	$ 213,434	$ (129,976)	$ (779,832)
Total Revenue Requirements	$ 16,508,260	$ 15,298,117	$ 14,259,118	$ 8,810,866	$ 2,048,354
Therms	501,901,937	501,901,937	501,901,937	501,901,937	501,901,937
Rate Per Therm, Excluding SUT	$ 0.0329	$ 0.0305	$ 0.0284	$ 0.0176	$ 0.0041
SUT	$0.0022	$0.0020	$0.0019	$0.0012	$0.0003
Rate Per Therm, Including SUT	$0.0351	$0.0325	$0.0303	$0.0188	$0.0044

Program Summary Worksheet (Table 1)

Rows

Sector	Program Name	Program Year
Residential	Behavioral	T1 Total
Residential	Behavioral	T2 Total
Residential	Behavioral	T3 Total
Residential	Income Qualified	T1 Total
Residential	Income Qualified	T2 Total
Residential	Income Qualified	T3 Total
Residential	Energy Efficient Proc	T1 Total
Residential	Energy Efficient Proc	T2 Total
Residential	Energy Efficient Proc	T3 Total
Residential	Whole Home	T1 Total
Residential	Whole Home	T2 Total
Residential	Whole Home	T3 Total
Multifamily	Multifamily	T1 Total
Multifamily	Multifamily	T2 Total
Multifamily	Multifamily	T3 Total
Commercial and Industrial	Energy Solutions	T1 Total
Commercial and Industrial	Energy Solutions	T2 Total
Commercial and Industrial	Energy Solutions	T3 Total
Commercial and Industrial	Direct Install	T1 Total
Commercial and Industrial	Direct Install	T2 Total
Commercial and Industrial	Direct Install	T3 Total
Commercial and Industrial	Prescriptive and Cus	T1 Total
Commercial and Industrial	Prescriptive and Cus	T2 Total
Commercial and Industrial	Prescriptive and Cus	T3 Total
Utility Led	Building Decarboniz	T1 Total
Utility Led	Building Decarboniz	T2 Total
Utility Led	Building Decarboniz	T3 Total
Utility Led	Demand Response	T1 Total
Utility Led	Demand Response	T2 Total
Utility Led	Demand Response	T3 Total
Utility Led	Next Generation Sav	T1 Total
Utility Led	Next Generation Sav	T2 Total
Utility Led	Next Generation Sav	T3 Total
Other	Other Portfolio	T1 Total
Other	Other Portfolio	T2 Total
Other	Other Portfolio	T3 Total
Total	Total	T1 Total
Total	Total	T2 Total
Total	Total	T3 Total

Columns

NJCT Benefit Cost Ratio ($)
Cost To Achieve (Achieved) $/Lifetime therms
Cost To Achieve (Achieved) $/Lifetime kWh
Cost To Achieve (Forecasted) $/Lifetime therms
Cost To Achieve (Forecasted) $/Lifetime kWh
Total Costs ($) Achieved
Total Costs ($) Forecasted
Net Annual Achieved Gas Savings (MMBtu)
Net Annual Forecasted Gas Savings (MMBtu)

Program Summary Worksheet (Table 2)

Rows

Sector	Program Name	Program Year
Residential	Behavioral	PY1
Residential	Behavioral	PY2
Residential	Behavioral	PY3
Residential	Behavioral	PY4
Residential	Behavioral	PY5
Residential	Behavioral	PY6
Residential	Behavioral	PY7
Residential	Behavioral	PY8
Residential	Behavioral	PY9
Residential	Income Qualified	PY1
Residential	Income Qualified	PY2
Residential	Income Qualified	PY3
Residential	Income Qualified	PY4
Residential	Income Qualified	PY5
Residential	Income Qualified	PY6
Residential	Income Qualified	PY7
Residential	Income Qualified	PY8
Residential	Income Qualified	PY9
Residential	Energy Efficient Prod	PY1
Residential	Energy Efficient Prod	PY2
Residential	Energy Efficient Prod	PY3
Residential	Energy Efficient Prod	PY4
Residential	Energy Efficient Prod	PY5
Residential	Energy Efficient Prod	PY6
Residential	Energy Efficient Prod	PY7
Residential	Energy Efficient Prod	PY8
Residential	Energy Efficient Prod	PY9
Residential	Whole Home	PY1
Residential	Whole Home	PY2
Residential	Whole Home	PY3
Residential	Whole Home	PY4
Residential	Whole Home	PY5
Residential	Whole Home	PY6
Residential	Whole Home	PY7
Residential	Whole Home	PY8
Residential	Whole Home	PY9
Multifamily	Multifamily	PY1
Multifamily	Multifamily	PY2
Multifamily	Multifamily	PY3
Multifamily	Multifamily	PY4
Multifamily	Multifamily	PY5
Multifamily	Multifamily	PY6
Multifamily	Multifamily	PY7
Multifamily	Multifamily	PY8
Multifamily	Multifamily	PY9
Commercial and Industrial	Energy Solutions	PY1
Commercial and Industrial	Energy Solutions	PY2
Commercial and Industrial	Energy Solutions	PY3
Commercial and Industrial	Energy Solutions	PY4
Commercial and Industrial	Energy Solutions	PY5
Commercial and Industrial	Energy Solutions	PY6
Commercial and Industrial	Energy Solutions	PY7
Commercial and Industrial	Energy Solutions	PY8
Commercial and Industrial	Energy Solutions	PY9
Commercial and Industrial	Direct Install	PY1
Commercial and Industrial	Direct Install	PY2
Commercial and Industrial	Direct Install	PY3
Commercial and Industrial	Direct Install	PY4
Commercial and Industrial	Direct Install	PY5
Commercial and Industrial	Direct Install	PY6
Commercial and Industrial	Direct Install	PY7
Commercial and Industrial	Direct Install	PY8
Commercial and Industrial	Direct Install	PY9
Commercial and Industrial	Prescriptive and Cust	PY1
Commercial and Industrial	Prescriptive and Cust	PY2
Commercial and Industrial	Prescriptive and Cust	PY3
Commercial and Industrial	Prescriptive and Cust	PY4
Commercial and Industrial	Prescriptive and Cust	PY5
Commercial and Industrial	Prescriptive and Cust	PY6
Commercial and Industrial	Prescriptive and Cust	PY7
Commercial and Industrial	Prescriptive and Cust	PY8
Commercial and Industrial	Prescriptive and Cust	PY9
Utility Led	Building Decarboniza	PY1
Utility Led	Building Decarboniza	PY2
Utility Led	Building Decarboniza	PY3
Utility Led	Building Decarboniza	PY4
Utility Led	Building Decarboniza	PY5
Utility Led	Building Decarboniza	PY6
Utility Led	Building Decarboniza	PY7
Utility Led	Building Decarboniza	PY8
Utility Led	Building Decarboniza	PY9
Utility Led	Demand Response	PY1
Utility Led	Demand Response	PY2
Utility Led	Demand Response	PY3
Utility Led	Demand Response	PY4
Utility Led	Demand Response	PY5
Utility Led	Demand Response	PY6
Utility Led	Demand Response	PY7
Utility Led	Demand Response	PY8
Utility Led	Demand Response	PY9
Utility Led	Next Generation Sav	PY1
Utility Led	Next Generation Sav	PY2
Utility Led	Next Generation Sav	PY3
Utility Led	Next Generation Sav	PY4
Utility Led	Next Generation Sav	PY5
Utility Led	Next Generation Sav	PY6
Utility Led	Next Generation Sav	PY7
Utility Led	Next Generation Sav	PY8
Utility Led	Next Generation Sav	PY9
Other	Other Portfolio	PY1
Other	Other Portfolio	PY2
Other	Other Portfolio	PY3
Other	Other Portfolio	PY4
Other	Other Portfolio	PY5
Other	Other Portfolio	PY6
Other	Other Portfolio	PY7
Other	Other Portfolio	PY8
Other	Other Portfolio	PY9
TOTAL	TOTAL Portfolio	PY1
TOTAL	TOTAL Portfolio	PY2
TOTAL	TOTAL Portfolio	PY3
TOTAL	TOTAL Portfolio	PY4
TOTAL	TOTAL Portfolio	PY5
TOTAL	TOTAL Portfolio	PY6
TOTAL	TOTAL Portfolio	PY7
TOTAL	TOTAL Portfolio	PY8
TOTAL	TOTAL Portfolio	PY9

Columns

Customers and Participation
- Eligible Customers
- Forecasted Participation
- Achieved Participation

Expected Annual Savings
- Gross Annual Forecasted On-Peak Energy Savings (kWh)
- Net Annual Forecasted On-Peak Energy Savings (kWh)
- Gross Annual Forecasted Off-Peak Energy Savings (kWh)
- Net Annual Forecasted Off-Peak Energy Savings (kWh)
- Gross Annual Forecasted Capacity Savings (kW)
- Net Annual Forecasted Capacity Savings (kW)
- Gross Annual Forecasted Energy Savings (therms)
- Net Annual Forecasted Energy Savings (therms)
- Gross Annual Forecasted Capacity Savings (peak-day therm)
- Net Annual Forecasted Energy Savings (peak-day therms)
- Gross Annual Forecasted On-Peak Energy Savings (MMBtu)
- Net Annual Forecasted On-Peak Energy Savings (MMBtu)
- Gross Annual Forecasted Off-Peak Energy Savings (MMBtu)
- Net Annual Forecasted Off-Peak Energy Savings (MMBtu)
- Gross Annual Forecasted Gas Savings (MMBtu)
- Net Annual Forecasted Gas Savings (MMBtu)

Annual Savings (Achieved)
- Gross Annual Achieved On-Peak Energy Savings (kWh)
- Net Annual Achieved On-Peak Energy Savings (kWh)
- Gross Annual Achieved Off-Peak Energy Savings (kWh)
- Net Annual Achieved Off-Peak Energy Savings (kWh)
- Gross Annual Achieved Capacity Savings (kW)
- Net Annual Achieved Capacity Savings (kW)
- Gross Annual Achieved Energy Savings (therms)
- Net Annual Achieved Energy Savings (therms)
- Gross Annual Achieved Capacity Savings (peak-day therm)
- Net Annual Achieved Energy Savings (peak-day therms)
- Gross Annual Achieved On-Peak Energy Savings- (MMBtu)
- Net Annual Achieved On-Peak Energy Savings (MMBtu)
- Gross Annual Achieved Off-Peak Energy Savings (MMBtu)
- Net Annual Achieved Off-Peak Energy Savings (MMBtu)
- Gross Annual Achieved Gas Savings (MMBtu)
- Net Annual Achieved Gas Savings (MMBtu)

Budget (Forecasted)
- Capital Costs ($)
- Utility Administration Costs ($)
- Marketing and Outreach Costs ($)
- Outside Services Costs ($)
- Incentives - Rebates ($)
- Incentives - Loans ($)
- Inspections and QC Costs ($)
- Evaluation Costs ($)
- Health & Safety Costs ($)
- Workforce Development Costs ($)
- Outreach to Community- Based Organizations Costs ($)
- Other Portfolio ($)
- Total Costs ($)

Costs (Achieved)
- Capital Costs ($)
- Utility Administration Costs ($)
- Marketing and Outreach Costs ($)
- Outside Services Costs ($)
- Incentives - Rebates ($)
- Incentives - Loans ($)
- Inspections and QC Costs ($)
- Evaluation Costs ($)
- Health & Safety Costs ($)
- Workforce Development Costs ($)
- Outreach to Community- Based Organizations Costs ($)
- Other Portfolio ($)
- Total Costs ($)

Cost To Achieve (Forecasted)
- $/Lifetime kWh
- $/Lifetime therms
- $/Lifetime kW
- $/Lifetime MMBtu

Cost To Achieve (Achieved)
- $/Lifetime kWh
- $/Lifetime therms
- $/Lifetime kW
- $/Lifetime MMBtu

New Jersey Cost Test Results (Forecasted)
- Lifetime Avoided Wholesale Electric Energy and Ancillary Costs ($)
- Lifetime Avoided Wholesale Electric Capacity Costs ($)
- Lifetime Avoided Wholesale Natural Gas Costs ($)
- Lifetime DRIPE Benefits (E&G) ($)
- Lifetime Avoided Electric Transmission Costs ($)
- Lifetime Avoided Distribution Costs ($)
- Lifetime Avoided Emissions Damages ($)
- Non-Energy Benefit Adder ($)
- Low-Income Adder ($)
- Total Benefits ($)
- Lifetime Incremental Costs ($)
- Lifetime Administration Costs ($)
- Total Costs ($)
- Benefit Cost Ratio ($)

Measure Summary Worksheet

Rows

Sector	Program	Subprogram	Measure	Program Year
Residential				PY1
Residential				PY2
Residential				PY3
Residential				PY4
Residential				PY5
Residential				PY6
Residential				PY7
Residential				PY8
Residential				PY9
Residential				PY1
Residential				PY2
Residential				PY3
Residential				PY4
Residential				PY5
Residential				PY6
Residential				PY7
Residential				PY8
Residential				PY9
Multifamily				PY1
Multifamily				PY2
Multifamily				PY3
Multifamily				PY4
Multifamily				PY5
Multifamily				PY6
Multifamily				PY7
Multifamily				PY8
Multifamily				PY9
Commercial and Industrial				PY1
Commercial and Industrial				PY2
Commercial and Industrial				PY3
Commercial and Industrial				PY4
Commercial and Industrial				PY5
Commercial and Industrial				PY6
Commercial and Industrial				PY7
Commercial and Industrial				PY8
Commercial and Industrial				PY9
Commercial and Industrial				PY1
Commercial and Industrial				PY2
Commercial and Industrial				PY3
Commercial and Industrial				PY4
Commercial and Industrial				PY5
Commercial and Industrial				PY6
Commercial and Industrial				PY7
Commercial and Industrial				PY8
Commercial and Industrial				PY9
Utility Led				PY1
Utility Led				PY2
Utility Led				PY3
Utility Led				PY4
Utility Led				PY5
Utility Led				PY6
Utility Led				PY7
Utility Led				PY8
Utility Led				PY9
Utility Led				PY1
Utility Led				PY2
Utility Led				PY3
Utility Led				PY4
Utility Led				PY5
Utility Led				PY6
Utility Led				PY7
Utility Led				PY8
Utility Led				PY9
Other				PY1
Other				PY2
Other				PY3
Other				PY4
Other				PY5
Other				PY6
Other				PY7
Other				PY8
Other				PY9

Columns

Customers and Participation		
Eligible Customers	Forecasted Participation	Achieved Participation

Expected Annual Savings															
Gross Annual Forecasted On-Peak Energy Savings (kWh)	Net Annual Forecasted On-Peak Energy Savings (kWh)	Gross Annual Forecasted Off-Peak Energy Savings (kWh)	Net Annual Forecasted Off-Peak Energy Savings (kWh)	Gross Annual Forecasted Capacity Savings (kW)	Net Annual Forecasted Capacity Savings (kW)	Gross Annual Forecasted Energy Savings (therms)	Net Annual Forecasted Energy Savings (therms)	Gross Annual Forecasted Capacity Savings (peak-day therm)	Net Annual Forecasted Energy Savings (peak-day therms)	Gross Annual Forecasted On-Peak Energy Savings (MMBtu)	Net Annual Forecasted On-Peak Energy Savings (MMBtu)	Gross Annual Forecasted Off-Peak Energy Savings (MMBtu)	Net Annual Forecasted Off-Peak Energy Savings (MMBtu)	Gross Annual Forecasted Gas Savings (MMBtu)	Net Annual Forecasted Gas Savings (MMBtu)

Annual Savings (Achieved)															
Gross Annual Achieved On-Peak Energy Savings (kWh)	Net Annual Achieved On-Peak Energy Savings (kWh)	Gross Annual Achieved Off-Peak Energy Savings (kWh)	Net Annual Achieved Off-Peak Energy Savings (kWh)	Gross Annual Achieved Capacity Savings (kW)	Net Annual Achieved Capacity Savings (kW)	Gross Annual Achieved Energy Savings (therms)	Net Annual Achieved Energy Savings (therms)	Gross Annual Achieved Capacity Savings (peak-day therm)	Net Annual Achieved Energy Savings (peak-day therms)	Gross Annual Achieved On-Peak Energy Savings (MMBtu)	Net Annual Achieved On-Peak Energy Savings (MMBtu)	Gross Annual Achieved Off-Peak Energy Savings (MMBtu)	Net Annual Achieved Off-Peak Energy Savings (MMBtu)	Gross Annual Achieved Gas Savings (MMBtu)	Net Annual Achieved Gas Savings (MMBtu)

Budget (Forecasted)												
Capital Costs ($)	Utility Administration Costs ($)	Marketing and Outreach Costs ($)	Outside Services Costs ($)	Incentives - Rebates ($)	Incentives - Loans ($)	Inspections and QC Costs ($)	Evaluation Costs ($)	Health & Safety Costs ($)	Workforce Development Costs ($)	Outreach to Community- Based Organizations Costs ($)	Other Portfolio ($)	Total Costs ($)

Costs (Achieved)												
Capital Costs ($)	Utility Administration Costs ($)	Marketing and Outreach Costs ($)	Outside Services Costs ($)	Incentives - Rebates ($)	Incentives - Loans ($)	Inspections and QC Costs ($)	Evaluation Costs ($)	Health & Safety Costs ($)	Workforce Development Costs ($)	Outreach to Community- Based Organizations Costs ($)	Other Portfolio ($)	Total Costs ($)

Cost To Achieve (Forecasted)				Cost To Achieve (Achieved)			
$/Lifetime kWh	$/Lifetime therms	$/Lifetime kW	$/Lifetime MMBtu	$/Lifetime kWh	$/Lifetime therms	$/Lifetime kW	$/Lifetime MMBtu

New Jersey Cost Test Results (Forecasted)													
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs ($)	Lifetime Avoided Wholesale Electric Capacity Costs ($)	Lifetime Avoided Wholesale Natural Gas Costs ($)	Lifetime DRIPE Benefits (E&G) ($)	Lifetime Avoided Electric Transmission Costs ($)	Lifetime Avoided Distribution Costs ($)	Lifetime Avoided Emissions Damages ($)	Non-Energy Benefit Adder ($)	Low-Income Adder ($)	Total Benefits ($)	Lifetime Incremental Costs ($)	Lifetime Administration Costs ($)	Total Costs ($)	Benefit Cost Ratio ($)

Appendix A Worksheet

Appendix A: Program Participants* & Energy Savings by Program Year

Program T2 (Achieved)	PY4 Participants	PY4 Net Annual Energy Savings (kwh)	PY4 Net Annual Energy Savings (therms)	PY5 Participants	PY5 Net Annual Energy Savings (kwh)	PY5 Net Annual Energy Savings (therms)	PY6 Participants	PY6 Net Annual Energy Savings (kwh)	PY6 Net Annual Energy Savings (therms)	Total Participants	Total T2 Net Annual Energy Savings (kwh)
Portfolio Total											

Program T3 (Forecasted)	PY7 Participants	PY7 Net Annual Energy Savings (kwh)	PY7 Net Annual Energy Savings (therms)	PY8 Participants	PY8 Net Annual Energy Savings (kwh)	PY8 Net Annual Energy Savings (therms)	PY9 Participants	PY9 Net Annual Energy Savings (kwh)	PY9 Net Annual Energy Savings (therms)	Total Participants	Total T3 Net Annual Energy Savings (kwh)
Portfolio Total											

	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program	**PY4 Energy Savings Target (kwh)**	**PY4 Energy Savings Target (therms)**	**PY5 Energy Savings Target (kwh)**	**PY5 Energy Savings Target (therms)**	**PY6 Energy Savings Target (kwh)**	**PY6 Energy Savings Target (therms)**	**PY7 Energy Savings Target (kwh)**	**PY7 Energy Savings Target (therms)**	**PY8 Energy Savings Target (kwh)**	**PY8 Energy Savings Target (therms)**	**PY9 Energy Savings Target (kwh)**	**PY9 Energy Savings Target (therms)**
Portfolio Total												

***Please provide references/ sources for participants and portion of program quantities in Low Income, Medium Income, Small Business etc.**

Appendix B Worksheet

Appendix B: Program Budgets and Costs by Program Year

T2 Program (Achieved)					NEW	NEW						
TOTAL Program Years 4-6	Capital Cost	Utility Administration	Marketing and Outreach	Outside Services	Incentives - Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

T3 Program (Forecasted)												
TOTAL Program Years 7-9	Capital Cost	Utility Administration	Marketing and Outreach	Outside Services	Incentives -Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

					NEW	NEW						
Program Year 4	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

					NEW	NEW						
Program Year 7	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives -Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

					NEW	NEW						
Program Year 5	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

					NEW	NEW						
Program Year 8	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives -Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

					NEW	NEW						
Program Year 6	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

					NEW	NEW						
Program Year 9	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives -Rebates	Incentives - Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
Portfolio Total												

Appendix C Worksheet (T2 Program Table)

Appendix C: Total Budget Summary, Including Annual Budget Summary and Joint Budgets with Partner Utilities

T2 Program

Program Year	Total Budget Summary	Lead Program Budget
Program Year 4		
Program Year 5		
Program Year 6		
Portfolio Total		

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Years 4 - 6	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Year 4	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Year 5	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Year 6	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

Therms to kwh- conversion details to be provided by the utilities in their net budget transfer reporting, if applicable.

Appendix C Worksheet (T3 Program Table)

T3 Program		
Program Year	Total Budget Summary	Lead Program Budget
Program Year 7		
Program Year 8		
Program Year 9		
Portfolio Total		

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Years 7 - 9	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Year 7	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Year 8	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Program Year 9	Savings Outflow ($ million)		Savings Outflow (kWh)		Savings Outflow (therms)		Savings Inflow ($ million)		Savings Inflow (kWh)		Savings Inflow (therms)	
Utility	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs	To Partner EDCs	To Partner GDCs
ACE												
ETG												
JCP&L												
NJNG												
PSE&G												
RECO												
SJG												

Appendix D Worksheet

Appendix D: Forecasted Average Cost to Achieve Each Unit of Energy Savings in Each Sector

	Energy Efficiency Programs*		Demand Response Program	Building Decarbonization Program
Sector	Total $/ Lifetime kWh	Total $/ Lifetime Therms	Total $/ Lifetime therm	Total $/ Lifetime MMBtu
Residential				
C&I				
Multifamily				
Building Decarbonization				
Demand Response				

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Sector	Program	Total Budget $	Lifetime kWh	Lifetime Therms	Total $/ Lifetime kWh	Total $/ Lifetime Therms	Total $/ Lifetime MMBtu
Portfolio Total							

NEW	NEW	NEW	NEW	NEW
	Energy Efficiency Programs*		Demand Response Program	Building Decarbonization Program
Sector	Total $/ T2 kWh	Total $/ T2 Therms	Total $/ T2 therm	Total $/ T2 MMBtu
Residential				
C&I				
Multifamily				
Building Decarbonization				
Demand Response				

NEW	NEW	NEW	NEW	NEW
	Energy Efficiency Programs*		Demand Response Program	Building Decarbonization Program
Sector	Total $/ T3 kWh	Total $/ T3 Therms	Total $/ T3 therm	Total $/ T3 MMBtu
Residential				
C&I				
Multifamily				
Building Decarbonization				
Demand Response				

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Sector	Program	Total Budget $	T2 kWh	T2 Therms	Total $/ T2 kWh	Total $/ T2 Therms	Total $/ T2 MMBtu
T2 Portfolio Total							

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
Sector	Program	Total Budget $	T3 kWh	T3 Therms	Total $/ T3 kWh	Total $/ T3 Therms	Total $/ T3 MMBtu
T3 Portfolio Total							

Appendix E Worksheet (Cost Test Tables)

Rows

Total Resource Cost Test (TRC)		
BENEFITS		
1	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	
2	Lifetime Avoided Wholesale Electric Capacity Costs	
3	Lifetime Avoided Wholesale Natural Gas Costs	
4	Lifetime DRIPE Benefits (E&G)	
5	Lifetime Avoided RPS REC Purchase Costs	
6	Lifetime Avoided Wholesale Volatility Costs (E&G)	
7	Lifetime Avoided T&D Costs (E&G)	
	Total Benefits	***1+2+3+4+5+6+7***
COSTS		
8	Lifetime Incremental Costs	
9	Lifetime Administration Costs	
	Total Costs	***8+9***
	Benefit Cost Ratio	**(1+2+3+4+5+6+7)/(8+9)**
Participant Cost Test (PCT)		
BENEFITS		
10	Lifetime Avoided Retail Electric Costs	
11	Lifetime Avoided Retail Natural Gas Costs	
12	Lifetime Program Incentive Costs	
13	Lifetime Time-Value of Loan Repayments	
	Total Benefits	***10+11+12+13***
COSTS		
14	Lifetime Participant Costs	
	Total Costs	***14***
	Benefit Cost Ratio	**(10+11+12+13)/14**
Program Administrator Cost Test (PAC)		
BENEFITS		
15	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	
16	Lifetime Avoided Wholesale Electric Capacity Costs	
17	Lifetime Avoided Wholesale Natural Gas Costs	
18	Lifetime DRIPE Benefits (E&G)	
19	Lifetime Avoided RPS REC Purchase Costs	
20	Lifetime Avoided Wholesale Volatility Costs	
21	Lifetime Avoided T&D Costs	
	Total Benefits	***15+16+17+18+19+20+21***
COSTS		
22	Lifetime Administration Costs	
23	Lifetime Program Investment Costs	
24	Lifetime Time-Value of Loan Repayments	
	Total Costs	***22+23+24***
	Benefit Cost Ratio	**(15+16+17+18+19+20+21)/(22+23+24)**
Ratepayer Impact Measure Test (RIM)		
BENEFITS		
25	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	
26	Lifetime Avoided Wholesale Electric Capacity Costs	
27	Lifetime Avoided Wholesale Natural Gas Costs	
28	Lifetime DRIPE Benefits (E&G)	
29	Lifetime Avoided RPS REC Purchase Costs	
30	Lifetime Avoided Wholesale Volatility Costs	
31	Lifetime Avoided T&D Costs	
	Total Benefits	***25+26+27+28+29+30+31***
COSTS		
32	Lifetime Administration Costs	
33	Lifetime Program Investment Costs	
34	Lifetime Re-allocated Distribution Costs	
35	Lifetime Time-Value of Loan Repayments	
	Total Costs	***32+33+34+35***
	Benefit Cost Ratio	**(25+26+27+28+29+30+31)/(32+33+34+35)**
Societal Cost Test (SC)		
BENEFITS		
36	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	
37	Lifetime Avoided Wholesale Electric Capacity Costs	
38	Lifetime Avoided Wholesale Natural Gas Costs	
39	Lifetime DRIPE Benefits (E&G)	
40	Lifetime Avoided RPS REC Purchase Costs	
41	Lifetime Avoided Wholesale Volatility Costs	
42	Lifetime Avoided T&D Costs	
43	Lifetime Avoided Emissions Damages	
44	Job and Savings Multiplier Benefits	
45	Non-Energy Benefit Adder	
46	Low-Income Adder	
	Total Benefits	***36+37+38+39+40+41+42+43+44+45+46***
COSTS		
45	Lifetime Incremental Costs	
46	Lifetime Administration Costs	
	Total Costs	***45+46***
	Benefit Cost Ratio	**(36+37+38+39+40+41+42+43+44+45+46)/(45+46)**
New Jersey Cost Test (NJCT)		
BENEFITS		
47	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	
48	Lifetime Avoided Wholesale Electric Capacity Costs	
49	Lifetime Avoided Wholesale Natural Gas Costs	
50	Lifetime DRIPE Benefits (E&G)	
51	Lifetime Avoided Electric Transmission Costs	
52	Lifetime Avoided Distribution Costs	
53	Lifetime Avoided Emissions Damages	
54	Non-Energy Benefit Adder	
55	Low-Income Adder	
	Total Benefits	***47+48+49+50+51+52+53+54+55***
COSTS		
56	Lifetime Incremental Costs	
57	Lifetime Administration Costs	
	Total Costs	***56+57***
	Benefit Cost Ratio	**(47+48+49+50+51+52+53+54+55)/(56+57)**
	Net income	Total benefits - total costs
	shareholders' equity	Total assets - total liabilities
	ROE	Net income / shareholders' equity

Columns

CBO Outreach
Workforce Development
Direct Install
Energy Solutions for Business
Prescriptive/Custom
Multi-family
Next Generation Savings
Building Decarbonization Programs
Demand Response Programs
Whole House
Income Qualified
EE Products
Res - Behavioral
Total Portfolio
LMI
MF
C&I
Res

Appendix E Worksheet (Summary Cost Test Table)

Sector/Program	New Jersey Cost Test (NJCT)	Societal Cost Test (SCT)	Total Resource Cost Test (TRC)	Participant Cost Test (PCT)	Program Administrator Cost Test (PAC)	Ratepayer Impact Measure Test (RIM)
Res						
C&I						
MF						
LMI						
Total Portfolio						
Res - Behavioral						
EE Products						
Income Qualified						
Whole House						
Demand Response Programs						
Building Decarbonization Programs						
Next Generation Savings						
Multi-family						
Prescriptive/Custom						
Energy Solutions for Business						
Direct Install						
Workforce Development						
CBO Outreach						

Notes

1. ROE is applied for NJCT
2. This calculated ROE is assumed that shareholders' equity won't change over time.
3. In case equity changes yearly, how can we calculate lifetime equity for shareholders.
4. If ROE for each sector/program is needed, breakdown equity for each sector/program should be provided.

Appendix F Worksheet

Appendix F: Quantitative Performance Indicators by Program Year							
	Net Annual Energy Savings (Source MMBtu)	Net Annual Demand Savings (Peak MW)	Net Annual Demand Savings (Peak-day therm)	Net Lifetime Energy Savings (Source MMBtu)	LMI and OBC Net Lifetime Energy Savings (Source MMBtu)	Small Business Net Lifetime Energy Savings (Source MMBtu)	Cost to Achieve ($/ Lifetime Source MMBtu)
Program Year 4							
Program Year 5							
Program Year 6							
T2 Portfolio Total							

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
	Net Annual Energy Savings (Source MWh)	Net Annual Energy Savings (Source therms)	Net Lifetime Energy Savings (Source MWh)	Net Lifetime Energy Savings (Source therms)	LMI and OBC Net Lifetime Energy Savings (Source MWh)	LMI and OBC Net Lifetime Energy Savings (Source therms)	Small Business Net Lifetime Energy Savings (Source MMBtu)	Small Business Net Lifetime Energy Savings (Source MMBtu)
Program Year 4								
Program Year 5								
Program Year 6								
T2 Portfolio Total								

	Net Annual Energy Savings (Source MMBtu)	Net Annual Demand Savings (Peak MW)	Net Annual Demand Savings (Peak-day therm)	Net Lifetime Energy Savings (Source MMBtu)	LMI and OBC Net Lifetime Energy Savings (Source MMBtu)	Small Business Net Lifetime Energy Savings (Source MMBtu)	Cost to Achieve ($/ Lifetime Source MMBtu)
Program Year 7							
Program Year 8							
Program Year 9							
T3 Portfolio Total							

NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW	NEW
	Net Annual Energy Savings (Source MWh)	Net Annual Energy Savings (Source therms)	Net Lifetime Energy Savings (Source MWh)	Net Lifetime Energy Savings (Source therms)	LMI and OBC Net Lifetime Energy Savings (Source MWh)	LMI and OBC Net Lifetime Energy Savings (Source therms)	Small Business Net Lifetime Energy Savings (Source MMBtu)	Small Business Net Lifetime Energy Savings (Source MMBtu)
Program Year 7								
Program Year 8								
Program Year 9								
T3 Portfolio Total								

Appendix G Worksheet - Additional Utility-Led Initiatives (Bldg Decarbonization Table)

Appendix G: Additional Utility-Led Initiatives

Building Decarbonization Metrics

	Site and source energy savings by fuel (MMBtu)								Site and source lifetime energy savings by fuel (MMBtu)								Site and source annual emissions by fuel (CO_2e MT)								Site and source lifetime emissions by fuel (CO_2e MT)							
	Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane	
	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source
Program Year 4																																
Program Year 5																																
Program Year 6																																
Program Year 7																																
Program Year 8																																
Program Year 9																																
Savings Beyond PY9																																
Total																																

Building Decarbonization Metrics

	Site and source energy savings by fuel (MMBtu)								Site and source lifetime energy savings by fuel (MMBtu)								Site and source annual emissions by fuel (CO_2e MT)								Site and source lifetime emissions by fuel (CO_2e MT)							
	Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane	
	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source
Program Year 4																																
Program Year 5																																
Program Year 6																																
Program Year 7																																
Program Year 8																																
Program Year 9																																
Savings Beyond PY9																																
Total																																

Net annual peak demand savings by fuel (electricity and natural gas only) (peak MW or peak-day therm)				CO_2 emissions impacts by fuel (CO_2e MT)				Net CO_2 emissions impacts across fuels (CO_2e MT)	Levelized cost per metric ton of CO_2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO_2e impacts)	Number of distributors and contractors engaged in the program	Number of program participants and installations, overall and for LMI				Number and geographic location of installations	
Electric	Natural Gas	Fuel Oil	Propane	Electric	Natural Gas	Fuel Oil	Propane	All Fuels (sum of prior 4 columns)			Program Participants		Installations		Number of Installations	Geographic Location of Installations
											Overall	LMI Customers**	Overall	LMI Customers**		

Net annual peak demand savings by fuel (electricity and natural gas only) (peak MW or peak-day therm)				CO_2 emissions impacts by fuel (CO_2e MT)				Net CO_2 emissions impacts across fuels (CO_2e MT)	Levelized cost per metric ton of CO_2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO_2e impacts)	Number of distributors and contractors engaged in the program	Number of program participants and installations, overall and for LMI				Number and geographic location of installations	
Electric	Natural Gas	Fuel Oil	Propane	Electric	Natural Gas	Fuel Oil	Propane	All Fuels (sum of prior 4 columns)			Program Participants		Installations		Number of Installations	Geographic Location of Installations
											Overall	LMI Customers**	Overall	LMI Customers**		

Appendix G Worksheet - Additional Utility-Led Initiatives (Demand Response Table)

Demand Response Metrics								
	Dollars spent per customer enrolled per $ spent ($/participant) by segment for each proposed program		Dollars spent per capacity enrolled ($/therm) by each segment for each proposed program		Intensity impact (tons CO2 during peak event) for each proposed program. The utility shall, based on the program design, define the specific calculation to measure intensity impact;		Ratio of number of customer responses to control requests over number of control requests.	
	Residential	Commercial & Industrial	Residential	Commercial & Industrial	Residential	Commercial & Industrial	Residential *	Commercial & Industrial
Program Year 4								
Program Year 5								
Program Year 6								
Program Year 7								
Program Year 8								
Program Year 9								
Total								

Appendix H Worksheet – Measure Incentive Ranges

For the measures listed, across utilities the labeling/naming of each measure should be consistent
For any values with ranges, the utilities must provide additional information and references for those cost ranges. Specify how the values within the range is used for calculations.

Appendix H: Measure Incentive Ranges

NEW	NEW			NEW	NEW	NEW	NEW	NEW	NEW				NEW
Program	**Subprogram**	**Measure**	**Unit Basis**	**Expected Number of Units**	**Per Unit Savings (kWh)**	**Per Unit Savings (therms)**	**Per Unit Savings (Peak kW)**	**Per Unit Savings (Peak-day therm)**	**Per Unit Total Costs ($)**	**Rebate Up To Value ($) GDC/EDC Consensus Rebate Strategy**	**Multifamily Income-Eligible Rebate Up to Value ($)**	**Existing Up To Value ($) Rebate Strategy**	**Proposed - Existing ($) Rebate Strategy**

Assumptions Worksheet (Program Tariff Allocations & Marginal Loss Factors)

Reference Table 1. Program Tariff Allocations
NEW Source: XX

		Gas Tariff Allocations						Electric Tariff Allocations					
Sector	Program	Residential Gas Service (RSG)	General Service (GSG)	General Service Large (GSG-LV)	Large Volume Service (LVS)	Other	Other	Electric - Residential Service (RS)	Electric - General Service Secondary (GS)	Electric - General Service Primary (GP)	Electric - General Service Transmission (GT)	Extra	Extra

Reference Table 2. Marginal Loss Factors
NEW Source: XX

	Marginal Gas Loss Factors						Marginal Electric Loss Factors					
	Residential Gas Service (RSG)	General Service (GSG)	General Service Large (GSG	Large Volume Service (LVS)	Other	Other	Electric - Residential Service (RS)	Electric - General Service Secondary (GS)	Electric - General Service Primary (GP)	Electric - General Service Transmission (GT)	Extra	Extra
Energy												
Demand												

Billing Peak Factor											

Assumptions Worksheet (Portfolio Assumptions Table)

Reference Table 3. Portfolio Assumptions

	category	unit	input	NEW Source(s)
Timing Assumptions				
	Model Start Date	date		
	Program Start Date	date		
	First Program Year	date		
Measure Characterization				
	Number of Measures	count		
	Number of Programs	count		
	Therm to MCF Conversion	ratio		
	kWh to MMBtu Conversion	ratio		
NPV Assumptions				
	Discount Rate for TRC/PCT/PAC/RIM	%		
	Discount Rate for SCT/NJCT	%		
	NPV Start Date	date		
Program Repayment Assumptions				
	Loan Repayment Percentage	%		
Utility and Supply Assumptions				
	Electric Secondary Loss Factor - Energy	%		
	Electric Primary Loss Factor - Energy	%		
	Electric Subtransmission Loss Factor - Ene	%		
	Electric Transmission Loss Factor - Energy	%		
	Electric Secondary Loss Factor - Demand	%		
	Electric Primary Loss Factor - Demand	%		
	Electric Subtransmission Loss Factor - Den	%		
	Electric Transmission Loss Factor - Deman	%		
	Average-to-Marginal Loss Adjustment Fac	%		
	Natural Gas Losses Factor	%		
	Capacity Market Realization Delay	years		
	PJM Forecast Pool Requirement	%		
Volatility Hedge Assumptions				
	Wholesale Electric Volatility Hedge Adder	%		
	Wholesale Natural Gas Volatility Hedge Ac	%		
Economic Assumptions				
	Sales and Use Tax Rate	%		
Non-Energy Benefits				
	NEB Adder	%		
	Low-Income Adder	%		
DRIPE Adder				
	Electric Energy	%		
	Electric Capacity	%		
	Natural Gas	%		

Abbreviations & References Worksheet

Abbreviations		References and estimates used
Please specify all the abbreviations used in the document here.		Mention the Sources of information to verify the rates and costs used for calculations.
		Specify any estimates/Thresholds used for calculations here if not mentioned anywhere else.