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

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 ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF A PORTFOLIO OF ENERGY EFFICIENCY, BUILDING DECARBONIZATION AND DEMAND RESPONSE PROGRAMS, A COST RECOVERY MECHANISM, AND OTHER RELIEF PURSUANT TO THE CLEAN ENERGY ACT FOR THE PERIOD JANUARY 2025 THROUGH JUNE 2027 (TRIENNIUM 2)	)	ORDER ADOPTING STIPULATION DOCKET NO. QO23120871

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Philip J. Passanante, Esq., Assistant General Counsel, Atlantic City Electric 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, Atlantic City Electric Company ("ACE" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") proposing to invest approximately $526.06 million in its energy efficiency ("EE") programs ("T2 EE Plan") over a thirty (30)-month period from January 1, 2025 through June 30, 2027 ("Triennium 2") ("Petition"). By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by ACE, 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. 48:3-87.8 *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

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

gas in their respective service territories.

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
>
> (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 27, 2021, the Board approved a stipulation of settlement authorizing ACE to implement its Triennium 1 EE Program.[4]

By Order dated May 22, 2024, the Board approved a stipulation of settlement authorizing the Company to extend its Triennium 1 EE program for six (6) months beyond the termination date of June 30, 2024 and for the Company to administer its Triennium 1 EE program on a regulated basis for an additional six (6) months through December 31, 2024.[5]

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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 Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three, BPU Docket Nos. QO19010040 and EO20090621, Order dated April 27, 2021.

[5] In re the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One through Three, BPU Docket No. EO20090621, Order dated May 22, 2024.

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 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] Additionally, by the September 2023 Order, the Board retained this matter for hearing and, pursuant to N.J.S.A. 48:2-32, designated Commissioner Christodoulou as Presiding Commissioner, authorized to rule on all motions that arise during the pendency of this proceeding

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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"). The October 2023 Order also extended Triennium 1 through December 31, 2024.

[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"). By the September 2023 Order, the Board 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.

and modify schedules that may be set as necessary to secure a just and expeditious determination of all issues.

DECEMBER 2023 PETITION

On December 1, 2023, ACE filed the Petition with the Board. By the Petition, the Company proposed a total budget of approximately $526.06 million for its T2 EE Plan 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	$61,948,000
		Income Qualified	$37,437,430
		EE Products	$64,898,977
		Behavioral	$2,684,411
	Commercial	Energy Solutions	$60,207,658
		Prescriptive and Custom	$66,244,000
		Direct Install	$76,013,291
	Multifamily	Multifamily	$78,744,776
Utility-Led	Commercial	Business Energy Manager	$3,142,755
	Cross	Next Generation Savings	$3,825,000
		Building Decarbonization	$43,998,192
	Demand Response	Direct Load Control	$19,687,690
		Time of Use Rate	$3,600,000
		Flexible Load Management	$1,101,423
	Portfolio	Statewide Coordinator	$500,000
		Workforce Development	$1,725,000
		Community Outreach	$300,000
Total			**$526,059,825**

The Company also proposed to recover expenditures in its territory for its fuel source based on its expenditures, as well as the costs billed by overlapping utilities in delivery of coordinated projects.

The Company further requested approval of a cost recovery mechanism whereby it would recover the costs of Triennium 2 through its existing Energy Efficiency Program Cost Recovery Mechanism included within the existing "Rider Regional Greenhouse Gas Initiative" ("RGGI") portion of its tariff. ACE requested authority to use deferred accounting to capture the incremental capital investment costs and incremental operations and maintenance ("O&M") costs associated with, or created by, the proposed T2 EE Plan. Specifically, ACE's incremental capital investment costs would be capitalized as a regulatory asset and amortized over a ten (10)-year period.

In accordance with the May 2023 Order, ACE proposed to calculate a return on the unamortized balance of the T2 EE Plan's capital investment regulatory asset using the Company's authorized rate of return approved in ACE's most recent base rate case. The incremental O&M costs would be expensed and included using the cost recovery mechanism model for recovery on an annual basis. Additionally, ACE proposed that any differences between the forecasted monthly revenue requirement and the actual monthly EE-related sales revenue be tracked as a deferred balance – either a regulatory asset or regulatory liability. ACE requested that monthly interest be applied to any over- or under-recovery deferral balances based on the Company's short-term debt rate

which is associated with the monthly weighted average of commercial paper issued. If no short term debt is outstanding, ACE would use the rate on equivalent temporary cash investments. The interest would not exceed ACE's overall rate of return authorized by the Board in the Company's most recent base rate case. Additionally, the calculation would be based on the net-of-tax beginning and ending average monthly balance. The Company proposed to continue accruing simple interest with an annual roll-in at the end of each reconciliation period.

Based upon the requests in the Petition, ACE estimated that a typical residential customer using 643 kilowatt-hours ("kWh") per month would see a bill increase of $0.57, or 0.39 percent, for the energy year July 2024 to June 2025, which included the Triennium 1 extension period and Triennium 2 Program Year 4.

On December 28, 2023, Staff issued ACE 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, ACE 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 rule on the Petition commenced on January 5, 2024.

By Order dated January 10, 2024, the Board directed that any entity wishing to file a motion seeking leave to intervene or participate, or to update a previously-filed motion seeking 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.[10] The Board subsequently received no additional or updated motions in this proceeding.

By Order dated February 26, 2024, after considering all Motions to Intervene or Participate in this matter and responses to the Motions, Commissioner Christodoulou granted intervenor status to EEA-NJ and NJLEUC, and participant status to Convergent Energy and Power ("Convergent"); Enerwise Global Technologies, Inc. d/b/a CPower; Google LLC.; Uplight, Inc. and the joint utilities: Elizabethtown Gas Company, Jersey Central Power & Light Company, New Jersey Natural Gas Company, Public Service Electric & Gas Company, Rockland Electric Company, and South Jersey Gas Company.[11]

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.

11 In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated February 26, 2024.

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 12, 2024, Commissioner Christodoulou 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 Christodoulou 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 discussions.[13]

Following proper notice in newspapers of general circulation and upon affected municipalities and counties within ACE's service territory, ACE held two (2) virtual public hearings at 4:30 p.m. and 5:30 p.m. on June 4, 2024. One (1) Party and three (3) members of the public provided oral comments during the 4:30 p.m. hearing generally in support of the T2 EE Plan. No members of the public provided oral comment during the 5:30 p.m. hearing. Additionally, the Board received written comments pertaining to the Petition on June 5, 2024 and June 10, 2024, generally indicating support for the T2 EE Plan, identifying areas of improvement, and expressing support for greater geothermal heat pump incentives for commercial EE program participants.

On October 4, 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 Christodoulou approved the Second 180-Day Stipulation, thereby extending the 180-day review period to October 31, 2024.[14]

[12] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated April 12, 2024.

[13] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated June 3, 2024; and In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated June 20, 2024.

[14] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated October 15, 2024.

STIPULATION

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

Triennium 2 Programs

22. The Parties agree that, subject to Board approval of the Stipulation, ACE may implement the T2 EE Plan 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. The T2 EE Plan will include implementation, administration, and investment in eight (8) EE core programs, (1) BD program, three (3) DR programs, and one (1) commercial program. The EE core programs are comprised of four (4) residential, three (3) commercial and industrial ("C&I"), and one (1) multi-family program.

23. 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 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 in coordination with the other New Jersey utilities.

24. Except as set forth below, the Company will not designate any WFD program funds toward wraparound services. Consistent with the May 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 $36,000 of its approved WFD budget and will coordinate with utilities in overlapping territories to minimize the costs to deliver these services. If ACE seeks to transfer additional monies from its WFD budget to wraparound services, ACE agrees to meet with the Parties to discuss the Company's request. In advance of any such meeting, ACE would provide supporting information to demonstrate its WFD and wraparound budgets at that time including sub-categories of its wraparound budget spent and the efforts made to exhaust other reasonable avenues for wraparound funding. The utilities are encouraged to seek deeper coordination with CBOs for wraparound services in preparation for Triennium 3.

25. As it relates to its WFD program, the Company may use up to 1.5% of its administrative budget to provide contractors with WFD performance incentives.

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

[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.

27. The Company agrees to withdraw its request to implement the Next Generation Savings program in Triennium 2.

28. The Company agrees to withdraw its request to include Comfort Partners as a component of its Income Qualified Program. The Comfort Partners Program will continue to be managed by the Board. The Parties agree to coordinate to ensure that low-income customers can receive measures comparable to what is offered through the BD program, which may be accomplished through the Comfort Partners program during Triennium 2. The Company will continue to claim savings from the Comfort Partners Program towards its compliance with its quantitative performance indicators ("QPIs").

29. The Parties agree that the design for the Triennium 2 programs shall be as described in the Company's updated T2 EE Plan, including both the required core programs and utility-led programs, which is included as Attachment 1 to the Stipulation and incorporated therein 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.

30. 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.

31. 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.

32. 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.

33. To provide access to financing, the Company will contract with a third-party loan administrator to administer no-interest loan opportunities for qualifying customer investments in EE and BD projects. The third-party loan administrator will be responsible for screening customers for eligibility and all loan origination and processing activities. 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, Energy Solutions projects, and BD. 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.

34. 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 T2 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 they facilitate appropriate customer participation that will allow ACE 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 to Attachment 1 to the Stipulation, will require Board Staff's approval.

35. Customers in ACE's service territory who meet the criteria for the various Triennium 2 EE Program offerings will be eligible to participate.

ACE Triennium 2 EE Budget by Program

36. The Parties agree to the ACE T2 EE Plan as follows:

Table 1: ACE T2 EE Plan Programs and Budgets[16]

Category	Sector	Program	Approved Program Budget ($M) (Rounded)
Core	Residential	Whole Home	54.3
		Income Qualified [17]	27.7
		EE Products	59.2
		Behavioral	2.7
	Commercial	Energy Solutions	52.8
		Prescriptive and Custom	61.9
		Direct Install	66.5
	Multifamily	Multifamily	67.1
Utility Led	Commercial	Business Energy Manager	2.9
	Cross	Next Generation Savings	0.0
		Building Decarbonization	32.6
	Demand Response	Direct Load Control	18.0
		Time of Use Rate	3.6
		Flexible Load Management	1.0
	Portfolio	Statewide Coordinator	0.5
		Workforce Development	1.2
		Community Outreach	0.3
		Total Programmatic Budget (rounded)	$452.3
		Net Transfers	(52.3)
		Total Direct Budget	400.0

37. The Parties agree that the total programmatic budget for the T2 EE Plan period is approximately $452.3 million, which includes a not-to-exceed value of $45,050,000 in O&M expenses.

38. The Parties also agree that the budget for net transfers in utility overlapping territories is approximately $52.3 million, resulting in a total direct budget of approximately

[16] Please note that detailed program budgets are included in Attachment 1 to the Stipulation, Appendix B.

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$400.0 million. To the extent that the net transfer budget differs from the stipulated value, ACE 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").

ACE Triennium 2 EE Program Expenditures

39. The Parties agree that the total net programmatic budget for the T2 EE Plan is $400 million, 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 T2 EE Plan funds may be utilized for a project that was enrolled during Triennium 1 and completed in the Triennium 2 program cycle.

40. 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 ACE Triennium 2 EE Program expenditures will be filed with the Board and submitted for prudency review in annual cost recovery filings by way of ACE's annual Rider RGGI proceedings.

Budget Updates

41. The Company may shift the timing of investment spending between or among program years, programs, and sectors, including both core and Utility-led programs, 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:

    - ACE may shift program budgets within or among the residential, C&I, multifamily, and other sectors. More specifically, within any 365-day period, ACE may shift its budgets between individual programs within the same sector up to and including 25% of the Company's 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, ACE 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 ACE's request, those requests shall be deemed granted.

42. 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.

43. The Parties agree that, for purposes of funds transfers among T2 EE Plan programs and sectors, in addition to residential, C&I, and multifamily, there are an additional two (2) sectors that include BD and DR, which will be reflected as "BD" and "DR." For purposes of budget transfers permitted in Paragraph 41 of the Stipulation, the Parties agree that funds will not be transferred into the BD program.

44. 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 Resource Manual ("TRM") in effect when the project commenced.

45. 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 1 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 and spent among programs. 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

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

Table 2: Quantitative Performance Indicators

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	2,100,339
2. Annual Demand Savings	Verified peak demand savings from measures completed in the given program year	10%	Peak MV or peak-day therm	44 MW
3. Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year	20%	Source MMBtu	14,164,576
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	1,081,697
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	1,243,944
6. Cost to Achieve	Total EE portfolio costs divided by total portfolio verified lifetime energy savings	20%	Total EE Portfolio$/ Lifetime source MMBtu	$23.20

47. 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 ACE's 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, 2023 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 49 of the Stipulation.

48. The Company will perform EM&V for the T2 EE Plan 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 EE projects and measures completed after January 1, 2025 shall also be included in the T2 EE EM&V plan.

49. 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.

50. The Company further appreciates the need for enhanced evaluation rigor and shall dedicate the appropriate EM&V resources, consistent with the approved EM&V budget, 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.

51. 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.

52. 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

53. Customer information shall be used by the Company to deliver an effective customer experience in compliance with any applicable Board regulations and statutory obligations. The Company shall enforce privacy and data handling policies and procedures for the T2 EE Plan that are consistent with ACE's customer data security protections, the May 2023 Order, July 2023 Order, and any applicable Board regulations and statutory obligations. In the event of any breach of the above confidentiality by an affiliate, ACE 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 T2 EE Plan or to evaluate the programs, the Company commits to enforcing the contractual confidentiality requirement to the extent allowed by 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.[18]

54. ACE agrees that customer-specific data belongs to the customer, who may request or authorize ACE to share it with suppliers, and that data gathered during the operation of the T2 EE Plan programs not specific to any particular 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 55 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 and Company review and approval of the Board's and/or contractor's cyber and data security protocols.

55. The Parties also agree that ACE may use customer-specific data or program data from other BPU-approved utility programs for the T2 EE Plan, and that other utility BPU-approved programs may use data from the T2 EE Plan. ACE 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.

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

Recovery of Costs and Lost Revenues

56. The Parties agree that the Company is and shall be authorized to defer and seek recovery of all reasonable and prudent T2 EE Plan costs, including customer incentives, as well as associated reasonable and prudent O&M expenses. T2 EE Plan costs shall be subject to recovery through rates pursuant to the terms of the EE Surcharge component included in Rider RGGI and in annual true-up filings. For each program year, the Company shall file a petition seeking to reconcile any under/over recovery from the prior program year and set the EE Surcharge rate for the succeeding program year. The T2 EE Plan costs shall be subject to the terms set forth in Rider RGGI and shall be recovered through a per-kWh charge applicable to all rate schedules.

57. Capital Structure/ROE – ACE will earn a return on its net investment based upon the authorized ROE and capital structure approved by the Board in its last base rate case proceeding.[19]

58. ACE's WACC for its Triennium 2 EE Program investments will be set based on the WACC established in the Company's 2023 base rate case, which is 6.16% (after tax), or 6.68% on a pre-tax basis based on a common equity percentage of 50.2%, and ROE of 9.60%, and current tax rates. Attachment 2 to the Stipulation shows the calculation of the WACC for the Triennium 2 EE Program.

59. The Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the appropriate corresponding subsequent monthly revenue requirement calculations. The Parties agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up, but in any event no later than January 1 of the subsequent year. Any changes to the current tax rates would be reflected in an adjustment to the pre-tax WACC and in any corresponding revenue requirement calculation.

60. The Parties further agree that the following expenditures will be collected from ACE ratepayers.

- Rebates/Direct Investments and associated return on these investments,
- Costs of third party financing and associated return, and
- O&M expenses

61. Any revenues received under the Triennium 2 programs, such as PJM capacity revenues (net of costs associated with auction participation, including but not limited to replacement capacity charges, capacity deficiency charges and any unavoidable PJM charges), marketplace revenues negotiated with vendors, or any other source of revenues as a result of the implementation of the Triennium 2 programs, shall be

[19] In re the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief (2023) - Decision and Order Adopting Initial Decision and Stipulation of Settlement, BPU Docket No. ER23020091, Order dated November 17, 2023.

utilized to offset costs to be collected from customers for the T2 EE Plan. The Company shall offer eligible EE resources into the PJM capacity market to the extent that this remains beneficial to ratepayers and that PJM permits. Any PJM capacity market revenues shall be credited against EE revenue requirements. The Company agrees to continue to confer with Staff and interested Parties regarding its approach to participation in the PJM capacity market. The purpose of these discussions is to allow the participants to continue to exchange information and ideas as to how revenues from the Company's participation in the PJM capacity market may be optimized.

62. The Company will include the recovery of the T2 EE Plan revenue requirement as a component of its EE Surcharge in the Company's Rider RGGI filings.

63. The EE Surcharge related to the T2 EE Plan will be filed annually (in July of each year) after the proposed initial period of January 1, 2025 through September 30, 2025. ACE has submitted proposed tariff sheets (both red-lined and clean) as Attachment 3 to the Stipulation to reflect the initial T2 EE Plan costs in the updated Rider RGGI tariff. ACE has submitted illustrative tariff sheets associated with the proposed rate schedule RS-TOU as Attachment 4 to the Stipulation. Finalized tariff sheets will be provided during the submission for approval of the actual RS-TOU rate within the true-up filing once sufficient automated metering infrastructure data is available for the rate design.

64. The EE Surcharge will be subject to adjustment and true-up through the deferral process, and any required adjustment will be included in the over/under recovery calculation of the EE Surcharge to be recovered from or returned to customers over the following year. Any Board-ordered cost recovery adjustments resulting from the review of the actual costs will be made to the over/under deferred balance and reflected in the charges established for the following year pursuant to a Final Board Order. The calculation methodology of revenue requirements and the over/under deferred balance is detailed in Attachment 5 to the Stipulation.

65. The Company agrees to file, as part of its true-up petition ("True-Up Filing") for Rider RGGI, Minimum Filing Requirements ("MFRs") for T2. The list of MFRs is attached to the Stipulation as Attachment 7.

66. The Parties agree ACE's T2 EE Plan capital investments will be capitalized as a regulatory asset and amortized over a ten (10)-year period, on a straight-line basis, with the rate of return on the unamortized investments based upon a rate of 6.68% (6.16%, after tax) as shown in Attachment 2 to the Stipulation, or as authorized by the Board in a subsequent base rate case. O&M costs will be expensed and included in the cost recovery mechanism for recovery on an annual basis (without earning a return).

67. The Parties stipulate that the Company will file to adjust its EE Surcharge, as part of the true-up petition ("True-Up Filing") for the Rider RGGI, with copies provided to the Parties no later than July 2025 and annually thereafter for the implementation of the proposed revised EE Surcharges, on October 1 of each year. Each True-Up Filing will contain a reconciliation of its projected EE Surcharge costs and recoveries and actual revenue requirements for the prior period, and a forecast of revenue requirements for the estimated time period before Board approval (October 1) and the twelve (12)-month period thereafter, which shall be based upon the Company's most current

authorized ROE and capital structure as defined above. The True-Up Filing also will present actual costs incurred since the previous annual review, and those costs will then be reviewed for reasonableness and prudency. The True-Up Filing will also provide information set forth in the MFRs as required in the May 2023 Order and July 2023 Order.

68. The Parties agree that any differences between the forecasted monthly revenue requirement and the actual monthly EE sales revenue will be tracked as a deferred balance (regulatory asset or regulatory liability) under/over recovery of the actual revenue requirement compared to revenues shall be deferred. The calculation of the carrying costs on the net-of-tax beginning and ending average monthly balances of under/over recovery of deferred costs shall be subject to the terms of Rider RGGI and computed using the methodology set out in Attachment 5 to the Stipulation. The Company shall accrue interest at a rate equal to the Company's short-term debt rate which is associated with the monthly weighted average cost of commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized, the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, ACE will use the rate on equivalent temporary cash investments. The interest rate shall not exceed ACE's overall rate of return as authorized by the Board in ACE's most recent base rate case (i.e., the WACC identified in Paragraph 58 of the Stipulation) or as authorized in a subsequent ACE base rate case. Simple interest shall accrue on any under and over recovered balances and shall be included in the deferred balances at the end of each reconciliation period. The corresponding deferred balances shall be included with forecasted revenue requirements for the succeeding period for the purpose of setting the revised EE Surcharge component of Rider RGGI.

69. The True-Up Filing will be subject to review by the Parties with opportunity for discovery and filed comments prior to the issuance of a Board Order establishing the Company's revised EE Surcharges. The issuance of a written Board Order will be preceded by adequate Public Notice and Public Hearings if required by law.

70. The initial recovery for ACE's Triennium 2 EE Program will be for the program period January 1, 2025 through June 30, 2025. The expected EE Surcharge for the initial T2 recovery period will be $0.001431 per kWh with New Jersey Sales and Use Tax ("SUT").

Rate and Bill Impacts

71. The estimated initial bill impact for a typical residential customer using 643 kWhs per month would be a monthly increase of approximately $0.92 or 0.58% for the fiscal year 2025. The estimated initial bill impact for a typical residential customer using 7,716 kWhs per year would be an annual increase of approximately $11.04 or 0.58% for the fiscal year 2025. The cumulative increase over the thirteen (13)-year recovery period is estimated to be $488.16 or 1.96% for the typical residential customer using 7,716 kWh annually. The maximum cumulative increase over the thirteen year recovery period would occur in year 3 and it is estimated to be $60.24 or 3.15% over the current annual bill of $1,913.40. The estimated bill impact does not reflect the reimbursements from overlapping gas utilities whose service territories overlap the Company's service area. Reimbursements would occur when, for example, a partner utility conducted a custom project which had measures which resulted in electric savings. Bill impacts are attached to the Stipulation as Attachment 6.

72. In Triennium 1, the Company was permitted to implement a Conservation Incentive Program ("CIP") to account for lost sales revenue resulting from the decrease in customer energy usage. Adjustment and continued use of the CIP are the subject of a separate proceeding presently pending before the Board in BPU Docket No. ER24070548. All Parties reserve any position in that separate proceeding, and nothing in the Stipulation shall limit positions in that separate proceeding.

Triennium 3 Filing

73. The Parties anticipate that in 2026, ACE 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. ACE agrees that, to include a more comprehensive set of data in its Triennium 3 petition, it will work with the other utilities, Staff, and Rate Counsel to develop a template reporting spreadsheet by June 30, 2025, using Attachment 8 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 explanations, to Staff for its consideration and decision as soon as practicable.

    b. Consistent with the guidance from the May 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 which includes, but is not limited to, the financial returns that are expected to arise from each individual energy efficiency program/measure.

c. ACE agrees to include in the NJCT any administrative costs passed on to customers for providing third party financing.

d. ACE recognizes that the SWE has identified concerns regarding the level of savings from behavioral programs. ACE 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. ACE 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.

74. 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 applicable laws and regulations concerning offering on-bill repayment ("OBR") for Triennium 3 at a rate other than zero. The Parties acknowledge that ACE will not offer OBR in Triennium 2, has no present intention to offer OBR in Triennium 3, and is not precluded from offering third-party financing in Triennium 3. The Company reserves its right 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.

On October 25, 2024, participant Convergent submitted comments on the Stipulation. In its comments, Convergent stated that it did not object to the Stipulation but urged the Board to consider including DR programs targeted at C&I as part of the Triennium 3 framework and to permit the use of battery storage technologies. Convergent further requested that the Board include industry stakeholders in its development of the Distributed Energy Resources roadmap and other working groups engaged in the future of battery storage and DR within the State.

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. Therefore, the Board **HEREBY AUTHORIZES** ACE to recover the costs associated with the T2 EE Plan through Rider RGGI. As a result of the Stipulation, a typical residential customer with a monthly usage of 643 kWh would experience an initial increase in their monthly bill of $0.92, or 0.58%. The Board also **HEREBY AUTHORIZES** ACE to continue its previously approved CIP to account for lost revenue resulting from the potential decrease in customer energy usage.

The Board **HEREBY RATIFIES** the decisions and Orders issued by Commissioner Christodoulou during the pendency of this proceeding for the reasons stated in those 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 ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF A PORTFOLIO OF ENERGY EFFICIENCY, BUILDING DECARBONIZATION AND DEMAND RESPONSE PROGRAMS, A COST RECOVERY MECHANISM, AND OTHER RELATED RELIEF PURSUANT TO THE CLEAN ENERGY ACT FOR THE PERIOD JANUARY 2025 THROUGH JUNE 2027 (TRIENNIUM 2)

DOCKET NO. QO23120871

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IN THE MATTER OF THE PETITION OF ATLANTIC CITY ELECTRIC COMPANY FOR APPROVAL OF A PORTFOLIO OF ENERGY EFFICIENCY, BUILDING DECARBONIZATION AND DEMAND RESPONSE PROGRAMS, A COST RECOVERY MECHANISM, AND OTHER RELATED RELIEF PURSUANT TO THE CLEAN ENERGY ACT FOR THE PERIOD JANUARY 2025 THROUGH JUNE 2027 (TRIENNIUM 2)	**STATE OF NEW JERSEY** **BOARD OF PUBLIC UTILITIES** **BPU DOCKET NO. QO23120871** **STIPULATION OF SETTLEMENT**

Clark M. Stalker, Esq., Associate General Counsel, and **Colleen A. Foley, Esq.**, Saul Ewing LLP, for Petitioner, Atlantic City Electric Company

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

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES

It is hereby AGREED, by and between Atlantic City Electric Company ("ACE" or "Company"), Staff of the New Jersey Board of Public Utilities ("Staff"), the New Jersey Division of Rate Counsel ("Rate Counsel"), the New Jersey Large Energy Users Coalition ("NJLEUC"), and the Energy Efficiency Alliance of New Jersey ("EEA-NJ") (collectively, "Parties") to execute this Stipulation of Settlement ("Stipulation") resolving ACE's petition in this docket and to join in

recommending that the New Jersey Board of Public Utilities ("Board" or "BPU") 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 the State'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] As part of 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

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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").

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").

3. On September 25, 2020, ACE filed a petition seeking approval of its Triennium 1 EE Program. By Order dated April 27, 2021, the Board approved a Stipulation of Settlement authorizing ACE to implement its Triennium 1 EE Program for a three (3)-year term, from July 1, 2021 through June 30, 2024, with a total budget of $96,065,276.[3] By the April 2021 Order, the Board also approved the Company's implementation of a cost recovery mechanism, as required by the CEA, which allows for a full return on and of the EE investment through the EE Surcharge, a component of ACE's Rider Regional Greenhouse Gas Initiative ("Rider RGGI").

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 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 P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs and In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three, BPU Docket Nos. QO19010040 and EO20090621, Order dated April 27, 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 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 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, meetings were conducted on September 14, 2023 and November 28, 2023, with ACE, Staff, and Rate Counsel specifically in connection with this matter.

7. 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.[6]

ACE's Triennium 2 Program Proposal

8. On December 1, 2023, ACE filed a petition for approval of its Triennium 2 EE Program ("Triennium 2 EE Program" or "T2 EE Plan") pursuant to Section 13 of the RGGI Act.

9. Accompanying the Petition, ACE filed the direct testimonies of: Nathaniel Gillespie, Christine Measamer, and Shengrong Chen of the Company, and Brendon Baatz of Gabel Associates, all on behalf of ACE.

10. The Petition consisted of fourteen (14) programs including an expanded suite of Core and Utility-led EE programs and building decarbonization ("BD"), and demand response

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[5] The New Jersey utilities that participated in the thirty (30)-day meetings were Elizabethtown Gas Company ("ETG"), 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 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").

("DR") programs, which are required by the Frameworks Orders, as well as a Next Generation Savings program.[7]

11. ACE proposed a total investment budget of approximately $473.4 million plus an administrative expense budget of approximately $52.6 million over the term of its Triennium 2 EE Program.

12. Additionally, ACE proposed to earn a return on its net investment based on its most recent weighted average cost of capital ("WACC").

PROCEDURAL HISTORY

13. 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.

14. 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.

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[7] May 2023 Framework Order, July 2023 Framework Order; and 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 (collectively, "2023 Framework Orders.").

[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.

15. On December 28, 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.

16. By Order dated January 10, 2024, the Board designated Commissioner Christodoulou as presiding Commissioner in this matter and extended the date for entities to file Motions seeking leave to intervene or participate in this matter.[9] NJLEUC; EEA-NJ; Convergent Energy and Power ("Convergent"); and Enerwise Global Technologies, Inc. d/b/a CPower filed Motions to Intervene; and Google, LLC; Uplight, Inc.; and the joint utilities (consisting of Elizabethtown Gas Company, Jersey Central Power & Light Company, New Jersey Natural Gas Company, Public Service Electric and Gas Company, Rockland Electric Company and South Jersey Gas Company) filed Motions to Participate. By Order dated February 26, 2024, Commissioner Christodoulou granted the Motions to Intervene filed by NJLEUC and EEA-NJ and granted Participant status to the remaining movants.[10]

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[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.

[10] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated February 26, 2024.

17. By Pre-Hearing Order dated April 12, 2024, Commissioner Christodoulou detailed the issues to be resolved in this matter and set the procedural schedule for the matter.[11] By the April 2024 Order, Presiding Commissioner Christodoulou also approved the extension of the 180-day review period for the Board to issue a decision to October 15, 2024.

18. ACE provided public notice and held two (2) public hearings on the Petition on March 18, 2024. No members of the public provided comments at the public hearings. Via letter dated June 3, 2024, the Board received written comments from one member of the public suggesting the rebates for certain EE products be reduced and that the aid for low- to moderate-income ("LMI") customers be increased. Via a letter dated June 5, 2024, the Board received written support for the use of geothermal heat pumps in Triennium 2 programs.

19. During the course of settlement discussions, by Order dated June 3, 2024, Commissioner Christodoulou approved two (2) 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]

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[11] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order dated April 12, 2024 ("April 2024 Order").

[12] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order Modifying and Suspending Procedural Schedule, dated June 3, 2024.

20. On October 15, 2024, Commissioner Christodoulou 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]

21. Following further settlement discussions, the Parties agreed to submit this Stipulation, the terms of which are set forth below. Specifically, the Parties hereby **STIPULATE AND AGREE** to the following:

STIPULATED MATTERS

Triennium 2 Programs

22. The Parties agree that, subject to Board approval of this Stipulation, ACE may implement the T2 EE Plan 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. The T2 EE Plan will include implementation, administration, and investment in eight (8) EE core programs, (1) BD program, three (3) DR programs, and one (1) commercial program. The EE core programs are comprised of four (4) residential, three (3) commercial and industrial ("C&I"), and one (1) multi-family program.

23. 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

[13] In re the Petition of Atlantic City Electric Company for Approval of a Portfolio of Energy Efficiency, Building Decarbonization and Demand Response Programs, a Cost Recovery Mechanism, and Other Related Relief Pursuant to the Clean Energy Act for the Period January 2025 Through June 2027 (Triennium 2), BPU Docket No. QO23120871, Order Further Extending Review Period, dated October 15, 2024.

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 in coordination with the other New Jersey utilities.

24. Except as set forth below, the Company will not designate any WFD program funds 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 $36,000 of its approved WFD budget and will coordinate with utilities in overlapping territories to minimize the costs to deliver these services. If ACE seeks to transfer additional monies from its WFD budget to wraparound services, ACE agrees to meet with the parties to discuss the Company's request. In advance of any such meeting, ACE would provide supporting information to demonstrate its WFD and wraparound budgets at that time including sub-categories of its wraparound budget spent and the efforts made to exhaust other reasonable avenues for wraparound funding. The utilities are encouraged to seek deeper coordination with CBOs for wraparound services in preparation for Triennium 3.

25. As it relates to its WFD program, the Company may use up to 1.5% of its administrative budget to provide contractors with WFD performance incentives.

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

27. The Company agrees to withdraw its request to implement the Next Generation Savings program in Triennium 2.

28. The Company agrees to withdraw its request to include Comfort Partners as a component of its Income Qualified Program. The Comfort Partners Program will continue to be managed by the Board. The Parties agree to coordinate to ensure that low-income customers can receive measures comparable to what is offered through the BD program, which may be accomplished through the Comfort Partners program during Triennium 2. The Company will continue to claim savings from the Comfort Partners Program towards its compliance with its quantitative performance indicators ("QPIs").

29. The Parties agree that the design for the Triennium 2 programs shall be as described in the Company's updated T2 EE Plan, including both the required core programs and utility-led programs, which is Attachment 1 to this Stipulation and incorporated herein by reference. Attachment 1 is subject to modification as permitted by the 2023 Framework Orders or as otherwise approved by the Board.

30. 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.

31. 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.

32. 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.

33. To provide access to financing, the Company will contract with a third-party loan administrator to administer no-interest loan opportunities for qualifying customer investments in

EE and BD projects. The third-party loan administrator will be responsible for screening customers for eligibility and all loan origination and processing activities. 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, Energy Solutions projects, and BD. 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.

34. 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 T2 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 they facilitate appropriate customer participation that will allow ACE 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 to Attachment 1 to this Stipulation, will require Board Staff's approval.

35. Customers in ACE's service territory who meet the criteria for the various Triennium 2 EE Program offerings will be eligible to participate.

ACE Triennium 2 EE Budget by Program

36. The Parties agree to the ACE Triennium 2 EE Program as follows:

Table 1: ACE T2 EE Programs and Budgets[14]

Category	Sector	Program	Approved Program Budget ($M) (Rounded)
Core	Residential	Whole Home	54.3
		Income Qualified [15]	27.7
		EE Products	59.2
		Behavioral	2.7
	Commercial	Energy Solutions	52.8
		Prescriptive and Custom	61.9
		Direct Install	66.5
	Multifamily	Multifamily	67.1
Utility Led	Commercial	Business Energy Manager	2.9
	Cross	Next Generation Savings	0.0
		Building Decarbonization	32.6
	Demand Response	Direct Load Control	18.0
		Time of Use Rate	3.6
		Flexible Load Management	1.0
	Portfolio	Statewide Coordinator	0.5
		Workforce Development	1.2
		Community Outreach	0.3
		Total Programmatic Budget (rounded)	$452.3
		Net Transfers	(52.3)
		Total Direct Budget	400.0

[14] Please note that detailed program budgets are included in Attachment 1, Appendix B.

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37. The Parties agree that the total programmatic budget for the T2 EE Plan period is approximately $452.3 million, which includes a not-to-exceed value of $45,050,000 in operations and maintenance ("O&M") expenses.

38. The Parties also agree that the budget for net transfers in utility overlapping territories is approximately $52.3 million, resulting in a total direct budget of approximately $400.0 million. To the extent that the net transfer budget differs from the stipulated value, ACE 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 EM&V of EE and PDR programs implemented pursuant to the CEA ("EM&V Working Group").

ACE Triennium 2 EE Program Expenditures

39. The Parties agree that the total net programmatic budget for the T2 EE Plan is $400 million, 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 T2 EE Plan funds may be utilized for a project that was enrolled during Triennium 1 and completed in the Triennium 2 program cycle.

40. 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 this Stipulation. All ACE Triennium 2 EE Program expenditures will be filed with the Board and submitted for prudency review in annual cost recovery filings by way of ACE's annual Rider RGGI proceedings.

Budget Updates

41. The Company may shift the timing of investment spending between or among program years, programs, and sectors, including both core and Utility-led programs, 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:

- ACE may shift program budgets within or among the residential, C&I, multifamily, and other sectors. More specifically, within any 365-day period, ACE may shift its budgets between individual programs within the same sector up to and including 25% of the Company's 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, ACE 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 ACE's request, those requests shall be deemed granted.

42. 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.

43. The Parties agree that, for purposes of funds transfers among T2 EE Plan programs and sectors, in addition to residential, C&I, and multifamily, there are an additional two (2) sectors that include BD and DR, which will be reflected as "BD" and "DR." For purposes of budget transfers permitted in Paragraph 41 of this Stipulation, the Parties agree that funds will not be transferred into the BD program.

44. 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 Resource Manual ("TRM") in effect when the project commenced.

45. 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 1 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 and spent among programs. 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

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

Table 2: Quantitative Performance Indicators

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	2,100,339
2. Annual Demand Savings	Verified peak demand savings from measures completed in the given program year	10%	Peak MV or peak-day therm	44 MW
3. Lifetime Energy Savings	Verified lifetime energy savings from measures completed in the given program year	20%	Source MMBtu	14,164,576
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	1,081,697
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	1,243,944
6. Cost to Achieve	Total EE portfolio costs divided by total portfolio verified lifetime energy savings	20%	Total EE Portfolio$/ Lifetime source MMBtu	$23.20

47. QPI performance periods shall be those set forth in the 2023 Framework Orders. All energy savings from projects and measures from ACE's 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, 2023 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 49 of this Stipulation.

48. The Company will perform EM&V for the T2 EE Plan 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 EE projects and measures completed after January 1, 2025 shall also be included in the T2 EE EM&V plan.

49. 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.

50. The Company further appreciates the need for enhanced evaluation rigor and shall dedicate the appropriate EM&V resources, consistent with the approved EM&V budget, 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.

51. 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.

52. 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

53. Customer information shall be used by the Company to deliver an effective customer experience in compliance with any applicable Board regulations and statutory obligations. The Company shall enforce privacy and data handling policies and procedures for the T2 EE Plan that are consistent with ACE's customer data security protections, the 2023 Framework Orders, and any applicable Board regulations and statutory obligations. In the event

of any breach of the above confidentiality by an affiliate, ACE 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 T2 EE Plan or to evaluate the programs, the Company commits to enforcing the contractual confidentiality requirement to the extent allowed by 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.[16]

54. ACE agrees that customer-specific data belongs to the customer, who may request or authorize ACE to share it with suppliers, and that data gathered during the operation of the T2 EE Plan programs not specific to any particular 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 55 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 and Company review and approval of the Board's and/or contractor's cyber and data security protocols.

55. The Parties also agree that ACE may use customer-specific data or program data from other BPU-approved utility programs for the T2 EE Plan, and that other utility BPU-approved programs may use data from the T2 EE Plan. ACE will not share or use customer-specific data

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

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

Recovery of Costs and Lost Revenues

56. The Parties agree that the Company is and shall be authorized to defer and seek recovery of all reasonable and prudent T2 EE Plan costs, including customer incentives, as well as associated reasonable and prudent O&M expenses. T2 EE Plan costs shall be subject to recovery through rates pursuant to the terms of the EE Surcharge component included in Rider RGGI and in annual true-up filings. For each program year, the Company shall file a petition seeking to reconcile any under/over recovery from the prior program year and set the EE Surcharge rate for the succeeding program year. The T2 EE Plan costs shall be subject to the terms set forth in Rider RGGI and shall be recovered through a per-kWh charge applicable to all rate schedules.

57. Capital Structure/ROE – ACE will earn a return on its net investment based upon the authorized ROE and capital structure approved by the Board in its last base rate case proceeding.[17]

58. ACE's WACC for its Triennium 2 EE Program investments will be set based on the WACC established in the Company's 2023 base rate case, which is 6.16% (after tax), or 6.68% on a pre-tax basis based on a common equity percentage of 50.2%, and ROE of 9.60%, and current tax rates. Attachment 2 of the Stipulation shows the calculation of the WACC for the Triennium 2 EE Program.

[17] I/M/O the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief (2023), BPU Docket No. ER23020091, Decision and Order Adopting Initial Decision and Stipulation of Settlement (dated November 17, 2023).

59. The Parties agree that any change in the WACC authorized by the Board in a subsequent base rate case will be reflected in the appropriate corresponding subsequent monthly revenue requirement calculations. The Parties agree that any change in the revenue requirement resulting from the change in the WACC will not be included in the monthly interest calculation for over and under recoveries until the date of the next scheduled annual true-up, but in any event no later than January 1 of the subsequent year. Any changes to the current tax rates would be reflected in an adjustment to the pre-tax WACC and in any corresponding revenue requirement calculation.

60. The Parties further agree that the following expenditures will be collected from ACE ratepayers.

- Rebates/Direct Investments and associated return on these investments,
- Costs of third party financing and associated return, and
- O&M expenses

61. Any revenues received under the Triennium 2 programs, such as PJM capacity revenues (net of costs associated with auction participation, including but not limited to replacement capacity charges, capacity deficiency charges and any unavoidable PJM charges), marketplace revenues negotiated with vendors, or any other source of revenues as a result of the implementation of the Triennium 2 programs, shall be utilized to offset costs to be collected from customers for the T2 EE Plan. The Company shall offer eligible EE resources into the PJM capacity market to the extent that this remains beneficial to ratepayers and that PJM permits. Any PJM capacity market revenues shall be credited against EE revenue requirements. The Company agrees to continue to confer with Staff and interested Parties regarding its approach to participation in the PJM capacity market. The purpose of these discussions is to allow the participants to

continue to exchange information and ideas as to how revenues from the Company's participation in the PJM capacity market may be optimized.

62. The Company will include the recovery of the T2 EE Plan revenue requirement as a component of its EE Surcharge in the Company's Rider RGGI filings.

63. The EE Surcharge related to the T2 EE Plan will be filed annually (in July of each year) after the proposed initial period of January 1, 2025 through September 30, 2025. ACE has submitted proposed tariff sheets (both red-lined and clean) as Attachment 3 to this Stipulation to reflect the initial T2 EE Plan costs in the updated Rider RGGI tariff. ACE has submitted illustrative tariff sheets associated with the proposed rate schedule RS-TOU as Attachment 4 to this Stipulation. Finalized tariff sheets will be provided during the submission for approval of the actual RS-TOU rate within the true-up filing once sufficient automated metering infrastructure data is available for the rate design.

64. The EE Surcharge will be subject to adjustment and true-up through the deferral process, and any required adjustment will be included in the over/under recovery calculation of the EE Surcharge to be recovered from or returned to customers over the following year. Any Board-ordered cost recovery adjustments resulting from the review of the actual costs will be made to the over/under deferred balance and reflected in the charges established for the following year pursuant to a Final Board Order. The calculation methodology of revenue requirements and the over/under deferred balance is detailed in Attachment 5 to this stipulation.

65. The Company agrees to file, as part of its true-up petition ("True-Up Filing") for Rider RGGI, MFRs for T2. The list of MFRs is attached hereto as Attachment 7.

66. The Parties agree ACE's T2 EE Plan capital investments will be capitalized as a regulatory asset and amortized over a ten (10)-year period, on a straight-line basis, with the rate of

return on the unamortized investments based upon a rate of 6.68% (6.16%, after tax) as shown in Attachment 2, or as authorized by the Board in a subsequent base rate case. O&M costs will be expensed and included in the cost recovery mechanism for recovery on an annual basis (without earning a return).

67. The Parties stipulate that the Company will file to adjust its EE Surcharge, as part of the true-up petition ("True-Up Filing") for the Rider RGGI, with copies provided to the Parties no later than July 2025 and annually thereafter for the implementation of the proposed revised EE Surcharges, on October 1 of each year. Each True-Up Filing will contain a reconciliation of its projected EE Surcharge costs and recoveries and actual revenue requirements for the prior period, and a forecast of revenue requirements for the estimated time period before Board approval (October 1) and the twelve (12)-month period thereafter, which shall be based upon the Company's most current authorized ROE and capital structure as defined above. The True-Up Filing also will present actual costs incurred since the previous annual review, and those costs will then be reviewed for reasonableness and prudency. The True-Up Filing will also provide information set forth in the MFRs as required in the Framework Orders.

68. The Parties agree that any differences between the forecasted monthly revenue requirement and the actual monthly EE sales revenue will be tracked as a deferred balance (regulatory asset or regulatory liability) under/over recovery of the actual revenue requirement compared to revenues shall be deferred. The calculation of the carrying costs on the net-of-tax beginning and ending average monthly balances of under/over recovery of deferred costs shall be subject to the terms of Rider RGGI and computed using the methodology set out in Attachment 5 to this Stipulation. The Company shall accrue interest at a rate equal to the Company's short-term debt rate which is associated with the monthly weighted average cost of

commercial paper and/or bank credit lines utilized in the preceding month. If both commercial paper and bank credit lines have been utilized, the weighted average of both sources of capital shall be used. In the event that neither commercial paper nor bank credit lines were utilized in the preceding month, ACE will use the rate on equivalent temporary cash investments. The interest rate shall not exceed ACE's overall rate of return as authorized by the Board in ACE's most recent base rate case (i.e., the WACC identified in Paragraph 58 above) or as authorized in a subsequent ACE base rate case. Simple interest shall accrue on any under and over recovered balances and shall be included in the deferred balances at the end of each reconciliation period. The corresponding deferred balances shall be included with forecasted revenue requirements for the succeeding period for the purpose of setting the revised EE Surcharge component of Rider RGGI

69. The True-Up Filing will be subject to review by the Parties with opportunity for discovery and filed comments prior to the issuance of a Board Order establishing the Company's revised EE Surcharges. The issuance of a written Board Order will be preceded by adequate Public Notice and Public Hearings if required by law.

70. The initial recovery for ACE's Triennium 2 EE Program will be for the program period January 1, 2025 through June 30, 2025. The expected EE Surcharge for the initial T2 recovery period will be $0.001431 per kWh with New Jersey Sales and Use Tax ("SUT").

Rate and Bill Impacts

71. The estimated initial bill impact for a typical residential customer using 643 kWhs per month would be a monthly increase of approximately $0.92 or 0.58% for the fiscal year 2025. The estimated initial bill impact for a typical residential customer using 7,716 kWhs per year would be an annual increase of approximately $11.04 or 0.58% for the fiscal year 2025. The cumulative increase over the thirteen year recovery period is estimated to be $488.16 or 1.96% for the typical

residential customer using 7,716 kilowatt-hours annually. The maximum cumulative increase over the thirteen year recovery period would occur in year 3 and it is estimated to be $60.24 or 3.15% over the current annual bill of $1,913.40. The estimated bill impact does not reflect the reimbursements from overlapping gas utilities whose service territories overlap the Company's service area. Reimbursements would occur when, for example, a partner utility conducted a custom project which had measures which resulted in electric savings. Bill impacts are attached hereto as Attachment 6.

72. In Triennium 1, the Company was permitted to implement a Conservation Incentive Program ("CIP") to account for lost sales revenue resulting from the decrease in customer energy usage. Adjustment and continued use of the CIP are the subject of a separate proceeding presently pending before the Board in BPU Docket No. ER24070548. All Parties reserve any position in that separate proceeding, and nothing in this Stipulation shall limit positions in that separate proceeding.

Triennium 3 Filing

73. The Parties anticipate that in 2026, ACE 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. ACE agrees that, to include a more comprehensive set of data in its Triennium 3 petition, it will work with the other utilities, Staff, and Rate Counsel to develop a template reporting spreadsheet by June 30, 2025, using Attachment 8 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 explanations, to Board 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 which includes, but is not limited to, the financial returns that are expected to arise from each individual energy efficiency program/measure.

c. ACE agrees to include in the NJCT any administrative costs passed on to customers for providing third party financing.

d. ACE recognizes that the SWE has identified concerns regarding the level of savings from behavioral programs. ACE 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. ACE 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.

74. 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 applicable laws and regulations concerning offering on-bill repayment ("OBR") for Triennium 3 at a rate other than zero. The Parties acknowledge that ACE will not offer OBR in Triennium 2, has no present intention to offer OBR in Triennium 3, and is not precluded from offering third-party financing in Triennium 3. The Company reserves its right 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

75. 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 that 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 that 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.

76. 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.

77. 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.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

ATLANTIC CITY ELECTRIC COMPANY

Dated: October 16, 2024 By: _____

Colleen A. Foley, Esq.
Saul Ewing LLP
Attorneys for Petitioner

MATTHEW J. PLATKIN, ESQ.
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated: October 17, 2024 By: _____

Steven A. Chaplar, Esq.
Deputy Attorney General

DIVISION OF RATE COUNSEL
BRIAN O. LIPMAN, ESQ., DIRECTOR

Dated: October 17, 2024 By: Maura Caroselli **QO23120871**

Maura Caroselli, Esq.
Managing Attorney - Gas

ENERGY EFFICIENCY ALLIANCE OF NEW JERSEY

Dated: October __, 2024 By:_____
John M. Kolesnik, Esq.

NEW JERSEY LARGE ENERGY USERS COALITION

Dated: October 17, 2024 By:_____
Steven S. Goldenberg, Esq.,
Giordano, Halleran & Ciesla, P.C.

Attachment list:

Att. 1 EE Program Plan

Att. 2 WACC Calculation

Att. 3 Proposed tariffs

Att. 4 Proposed TOU tariff

Att. 5 EE Surcharge Calculation

Att. 6 Bill impacts

Att. 7 True-Up MFRs

Att. 8 Template Reporting Spreadsheet

ENERGY EFFICIENCY ALLIANCE OF NEW JERSEY

Dated: October 17, 2024 By:_____
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Atlantic City Electric Energy Efficiency Program Plan

September 16, 2024

Prepared by:
Gabel Associates, Inc.
with direction by Atlantic City Electric Company

1. Table of Contents

2. Introduction

This Program Plan was developed to address Atlantic City Electric Company's ("ACE" or the "Company") plan for the delivery of Energy Efficiency and Building Decarbonization Start-up programs that ACE will offer for Triennium Two which will cover the two-and-a-half-year period from January 1, 2025 to June 30, 2027.

Due to the coordinated nature of the core energy efficiency programs, ACE, 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 program templates for the Additional Utility-Led Initiatives (Section 3b of this program plan) follow a consistent format but contain Utility-specific proposals.

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. T The descriptions for all other programs are Utility-specific.

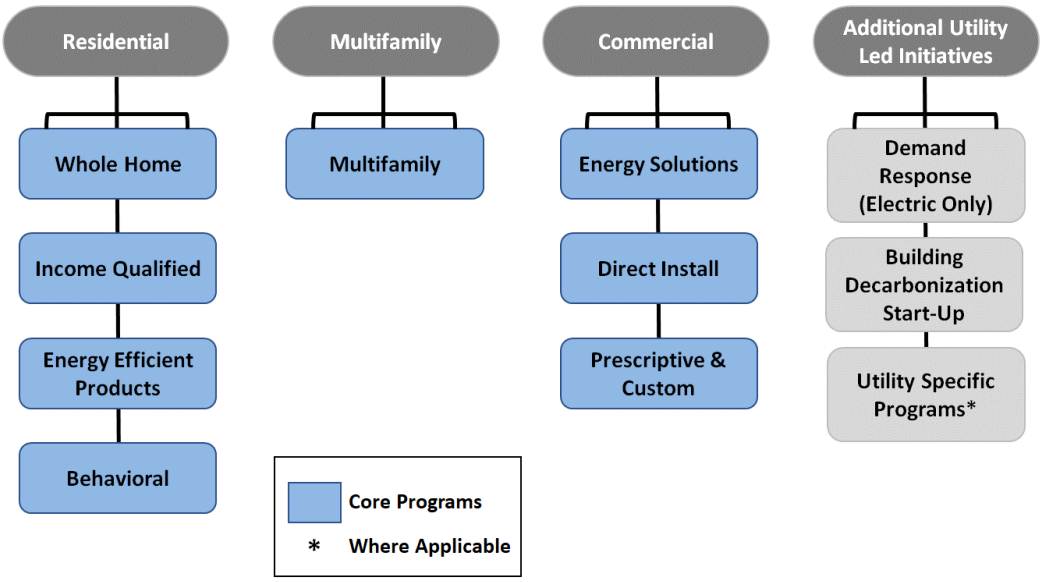
In addition, some information contained in the Portfolio Information section (Section 4) is consistent, while the remaining subsections are Utility-specific. The following subsections contain consistent information across all of the Utilities:

- 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, but present Utility-specific information. Appendix H: Incentive Ranges is formatted similarly but has some variation due to differences in Utility-specific program proposals.


Residential
Whole Home
Income Qualified
Energy Efficient Products
Behavioral
Multifamily
Multifamily
Commercial
Energy Solutions
Direct Install
Prescriptive & Custom
Additional Utility Led Initiatives
Demand Response (Electric Only)
Building Decarbonization Start-Up
Utility Specific Programs*
Core Programs
* Where Applicable

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 (2) main components:

1. A home energy assessment; and
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 - 4 unit properties) 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 the home assessment 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 so 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 quality assurance/quality control ("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 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 participants to better understand 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 (1) 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 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. 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, up-front rebates, and 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. The Utilities may provide incentives for energy efficient heating and cooling equipment, water heating equipment, appliances, and smart thermostats, as well as other energy efficiency products and for appliance recycling. OBR 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 OBR 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 (MFR II.a.ii.)

[1] Appliance recycling program only applies to electric distribution companies ("EDC") at this time.

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 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 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.

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

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).

Customer Financing Options (MFR II.a.v.)

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 "HERs") 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, LMI, 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' HERs vendors will distribute HERs to residential customers at no-cost 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; and
- 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 ongoing 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 target 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 ("RCx")

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; and
- Aligning zone temperature setpoints to match the building's actual operating schedule.

Monitoring Based Commissioning ("MBCx")

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. 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 ("SEM")

The 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 (3) 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, 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' commercial and industrial ("C&I") customers, either via the installation of prescriptive or custom measures or projects. The program provides prescriptive-based incentives to C&I 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 C&I 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 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.

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

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.

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 at no-cost 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.)

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, 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; and
- 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 UEZ, Opportunity Zone, OBC, or other geographic area as designated by the BPU 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 is 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 and building decarbonization offerings ranging from simple to deep energy retrofits targeting all end uses. In addition, the Multifamily program may provide 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 (3) or more units that are served by at least one (1) 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 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.

3b. Additional Utility-Led Initiatives

In addition to core programming, Utilities will also administer Additional Utility-Led Initiatives to further engage customers and promote energy efficiency projects. These initiatives will complement and expand upon core programs to ensure that Utilities reach a diverse customer base and that customers receive adequate support in applying for and completing energy efficiency upgrades.

As discussed in the Introduction, Additional Utility-Led Initiatives follow a consistent format but contain Utility specific proposals, which provide consistent information across the Utilities.

The Additional Utility-Led Initiatives are described below and include:

- Business Energy Manager Pilot
- Building Decarbonization
- Demand Response: Direct Load Control
- Time of Use Rate Pilot
- Flexible Load Management Pilot

3b.i Business Energy Manager Pilot Program

Program Description (MFR II.a.i)

Business Energy Manager ("BEM") is a program designed to drive behavioral-based energy savings and increase customer engagement with Atlantic City Electric C&I customers. The program consists of 1) an evaluation of AMI data to generate insights that can increase customer satisfaction and participation in standard Energy Efficiency ("EE") programs, and 2) influencing those customers to reduce their overall energy consumption through operational and behavioral changes. The program is designed to maximize customers' value and economic benefits of the AMI network and data by communicating detailed energy consumption data in a new and simplified way to customers. The program will also seek to understand how increased customer engagement can influence business customers to participate more often in EE programs, as customers will receive program recommendations based on their individual usage data.

The program is a no cost, opt-in offering that enables C&I customers to gain greater insights and control over their electricity use, improve their energy efficiency, and reduce their utility bills. Participating customers can use the self-service web platform at any time, and as frequently as they wish.

BEM will be offered as a microsite on the Company's website where C&I customers can view energy usage insights and personalized content for their facilities and organizations. This content will provide customers with a better understanding of their energy usage, context on how they compare to their peers, and actionable recommendations to drive efficiency.

BEM will be highly flexible and configured to offer different experiences for different customer segments, customer types, and rate classes. For example, small and medium businesses may be offered a simpler experience, while larger C&I customers may receive a more robust experience.

Market Analysis and Trends

Two separate third-party studies by Navigant Consulting, now Guidehouse, have shown that when business customers are engaged with a customer engagement portal, they reduce their annual energy usage by 1.50 – 2.76% through behavioral change. Additionally, the Navigant study evaluated customers by participation cohorts, which were based on the program year in which they first registered for BEM. The study found that the two latest cohorts reduced energy usage by an average of 1.46% and 1.94%, with the earliest cohort reducing by an average of 4.11%.

Atlantic City Electric believes that the program will continue to produce increased savings beyond PY6. This is in part due to the opt-in nature of the program, through which total participants are assumed to increase every year, and aligns with the Navigant study mentioned above, which showed that greater savings were realized by the most mature customer cohorts.

The following metrics related to customer satisfaction, customer engagement, and energy efficiency program participation have been found through both vendor-led and third-party studies:

- C&I customers who access BEM are more likely to participate in standard EE programs. A third-party study found that treated customers saw a 9% change in rate of participation from pre-program year, while non-treated customers saw only a 4% change in rate of participation from pre-program year (Navigant).
- A utility scored higher J.D. Power scores in six different categories, including "Overall Satisfaction with Utility," with customers who were treated with energy data and insights vs. customers who were not (EMI Consulting) .
- Customers with access to BEM were found to be satisfied with the offering 94% of the time and felt more positively about their utility 51% of the time (vendor survey).
- Customers with access to BEM are highly engaged with utility communication, with monthly usage alerts receiving a 24.9% open rate, and users spending 23% of their time in BEM platform reviewing behavioral tips and EE recommendations (vendor data).

BEM at ComEd leveraged several behavioral strategies which were critical in promoting behavioral change in end-users. Atlantic City Electric plans to include the following within the scope of its BEM:

- Loss aversion: People tend to focus on losses more than on gains. Energy information should be framed as preventing a loss, rather than incurring a gain.
- Reference dependent preferences: A consumer's energy use should be framed relative to an effective reference point. As an example, if people use above the average amount of energy, the average business should be used as the benchmark, but if they use less than the average amount, use the best performing businesses as the benchmark.
- Feedback: People tend to be able to change their behavior more when provided with specific, timely feedback.
- Social norms: People care about levels of performance relative to others, rather than in absolute levels. Promote energy efficient behavior as both common and valued by the customer's peers.
- Commitment: Ask customers to make a commitment to perform an energy efficient improvement at some point in the future, even if they are not executing on the task today.

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

Any business customer within the Atlantic City Electric service territory with an AMI meter will be eligible to access BEM. Customers will register for BEM for the first time with their account number and zip code.

Atlantic City Electric's sister utility ComEd and its third-party evaluator Navigant, now Guidehouse, have evaluated, measured, and verified savings of a similar commercial behavioral program using a matched-control experimental design. In their evaluation, Navigant excluded the largest customers from the savings analysis in order to not sway the results toward an outlier.

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

The Company does not intend to offer any incremental financial incentives for participating in the program.

BEM will integrate with Atlantic City Electric EE programs, and programs will be promoted to customers based upon relevancy. This will ensure that businesses are seeing first the most impactful programs and should lead to an uplift in standard EE participation, in addition to verified behavioral savings.

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 applicable.

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

To evaluate savings for the program, Atlantic City Electric will engage with a third-party evaluator who will implement a matched-control experimental design by creating a matched non-participant control group; the comparison group will be constructed by matching pre-program energy usage profiles for accounts that have opted-in to use the engagement portal with non-participant accounts with the most similar usage profile determined by regression analysis.

Customer Access to Current and Historic Energy Usage Data (MFR II.a.vii)

Refer to Section 4c for a description of how each Utility will provide for customers to access their energy data.

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. This program does not currently have forecasted savings. Energy savings will be established through the evaluation process.

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.

3b.ii Building Decarbonization

Program Description (MFR II.a.i)

This program will promote the decarbonization of the building sector for all customers by offering incentives to reduce carbon emissions through fuel switching, technology innovations, operational enhancements, and behavioral changes. The program will leverage existing delivery channels in the core Residential, Multifamily, and C&I energy efficiency programs to incentivize customers to switch to efficient electric equipment that will fully or partially replace existing fossil fuel-based equipment. These channels include online services, downstream rebates to customers, a network of trade allies, and trained program staff. The program will also seek to transform the market through customer education and consultation, contractor training services, technology demonstrations, and enhanced marketing to support the adoption of building decarbonization technologies and activities.

The Building Decarbonization program will offer enhanced rebates above those within existing energy efficiency programs primarily for energy efficient electric space and water heating equipment, as well as some appliances, to address market barriers including cost and resistance to change. To make this program seamless for customers, many of the program activities will occur within the larger core energy efficiency programs to capitalize on their success. Financing will be available to further reduce cost barriers for select products and services. The program is targeted to all customers with emphasis on serving low- and moderate-income ("LMI") customers, as well as other traditionally underserved customers.

The New Jersey Board of Public Utilities' ("NJ BPU") July 26, 2023 Board Order directs Utilities to file energy efficiency programs, and specifically Building Decarbonization ("BD") start-up programs of a large enough scale to set the foundation for significant progress in the third triennium. To that end, the program will include a combination of tactical and strategic approaches, with dual goals of achieving results today and learning and building the groundwork for future programs. Program flexibility to change incentives, measures, delivery mechanisms, and strategies will be crucial to the success of this program and will allow ACE to adapt to changing market conditions as well as to setting the stage for the third triennium.

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

The target market for this program will be all electric customers served by ACE. This program has a core focus on heat pump technologies, incentivizing both space and water heating heat pumps. The eligibility of specific efficiency classes will be determined during program implementation, with the goal of aligning with the Inflation Reduction Act ("IRA") and other electrification programs offered by Utilities throughout the state. The program incentives are designed to be flexible to the existence of other funding sources that may be available to customers, such as IRA tax credits or rebate programs. The program will track and/or coordinate with other funding sources to ensure that combined incentives to customers do not exceed the total project costs.

Consistent with other programs, ACE may offer enhanced incentives for LMI customers. Eligibility for these enhanced incentives may be determined based on screening an individual customer, categorical eligibility (which may vary for LMI 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.

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 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.

The program will include the measures for customers switching from a fossil-fuel to an alternative such as:

- Ground source heat pumps
- Air source heat pumps (central and mini-split systems)
- Electric Chillers and other commercial HVAC equipment
- Heat pump water heaters
- Electric cooktops, ranges, ovens, fryers, steamers, and griddles
- Electric clothes dryers
- Make-ready rebates – additional rebate for electric infrastructure costs such as electric panel replacements or upgrades

The program may add measures during the program cycle, where accepted by the EM&V Working Group and adopted by the BPU. These added measures may require enhanced custom rebates. These custom rebates will enable ACE, contractors, and customers to work together to discover innovative opportunities to meet carbon reduction goals.

Incentives will be available in several ways and are adapted to the customer needs and market response. Strategies may include:

- Mail-in applications available from the retailer, the program website, or directly from contractors;
- Trade Allies and program staff through various energy efficiency programs;
- Online rebate forms;
- Midstream incentives to retailers and distributors to encourage them to stock and promote decarbonization products or to provide product incentives at time of purchase; and
- Partnerships with community groups, schools, and/or non-profit organizations.

Incentives may change based on market prices, as well as manufacturer and distributor co-funding. Other incentive alternatives may be used as the market evolves and new and innovative customer, program ally and trade ally engagement opportunities become apparent.

In instances where incentives are not immediate, the Utilities will 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 field inspections (if required).

Customer Financing Options (MFR II.a.v)

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

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

ACE and/or third-party implementation contractors will be responsible for coordinating with all other energy efficiency programs in this portfolio to build relationships with their contractors and deliver specialized training and marketing materials specific to the Building Decarbonization program.

Contractors and trade allies will be kept up to date with the program vision, eligible efficient products, rebates, and ways to participate. The BD program will leverage existing energy efficiency contractors and program ally and trade ally networks wherever possible, instead of creating a separate network. Making BD available to all EE programs, participating contractors, and allies without additional requirements will reduce barriers to participation. The Utilities agree to collaborate on a list of criteria for requirements for contractor participation in a contractor network.

ACE 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 to provide suggestions to ensure that the program is continually providing customers with their needs.

To select qualified third-party implementation contractors, the Utilities will prioritize criteria including but not limited to:

- Experience delivering similar programs or initiatives;
- Resources and marketing strength;
- Cost; and
- The amount of business placed with minority, women, veteran, and service-disabled veteran owned businesses.

The Utilities will perform customer satisfaction surveys and other quality assurance and quality control activities to monitor the program and verify quality standards are met.

Customer Access to Current and Historic Energy Usage Data (MFR II.a.vii)

Refer to Section 4c for a description of how each Utility will provide for customers to access their energy data.

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.

3b.iii Demand Response: Direct Load Control Program

Program Description (DR MFR 2.a.i.1)

Program Overview, kW Demand Reduction Goals, and Curtailment Objectives

This program will reduce energy demand for residential, small commercial, and other non-residential customers, (such as religious institutions and non-profits), during peak energy-use periods by managing customer's HVAC equipment via smart thermostats. While control of HVAC equipment is the initial focus, ACE may explore control of other devices, such as electric vehicle charging and smart electric water heaters. Direct Load Control ("DLC") can also be used to reduce load in response to PJM emergency events and provide localized support on the ACE distribution system as necessary.

Customers will opt-in to the DLC program by enrolling an already installed eligible smart thermostat from an approved manufacturer, "Bring Your Own Device" ("BYOD"), or enrolling when a smart thermostat they receive or purchase through one of ACE's energy efficiency programs. Participating customers will be eligible for annual participation incentives for as long as they remain in the program. Incentives will be delivered in the form of monetary credits on customers' bills.

The DLC program shares many similarities with the Flexible Load Management ("FLM") pilot. The key difference is DLC uses a more traditional cycling and temperature adjustment strategy with control events typically lasting up to 4 hours. The FLM pilot will make adjustments in smaller and shorter increments.

Use of AMI

ACE's AMI activation is expected to be completed in 2025. During and after events, AMI may be used to monitor curtailment at the customer, regional, and system-wide levels.

Portability in Direct Load Control

Customers can choose a smart thermostat model with the functionality that works for their household. Once a new customer moves into the premise and sets up an account with the smart thermostat manufacturer, the Company will leverage the manufacturer's app to communicate with the new customer to encourage them to enroll in the program. The customer moving into a new home with no smart thermostat can purchase one through an ACE Energy Efficiency program and enroll in the DLC program. The customer can leave the DLC program at any time to join a third-party aggregator and will no longer be eligible to participate in the ACE DLC program or to receive bill credits.

Access to Customer Data

ACE will provide customers with access to current and historical energy usage data via "My Account", the online customer service and data portal on the Company's website. Refer to Section 4c for details including available data fields, access rules, and technology standards.

DR Guiding Principles, DERMS, and Grid Flexibility

Portability, Distributed Energy Resources, and Grid Flexibility Services as discussed in the New Jersey Demand Response Guiding Principles[2] have been considered in designing ACE's DR programs. Both the DLC and Flexible Load Management ("FLM") pilot will use load curtailment technologies and communications to reduce electricity demand to ensure grid reliability and flexibility during peak-demand times. Specifically, the DR programs offer grid management services that reduce customer outages due to capacity limitations. As DR reduces all participants' demand, it is critical to offer these customer programs in a manner that aligns with customer expectations around comfort and benefits to ensure sufficient program participation to meet the State's goals and policy objectives.

The DR programs is one tool within the Grid Modernization proceeding and ACE intends to work with stakeholders through its development and operation through formal business relationships, stakeholder meetings, and BPU proceedings. Learnings from this program will inform other programs and opportunities for additional technologies and services to support New Jersey's Grid Modernization plan.

Timeline

Upon program approval from the BPU and prior to the start of the second triennium, the Company will develop requests for proposal (RFPs) and secure contracts with implementation vendors.

- January 1, 2025 – April 30, 2025 – the ACE program team and vendors will recruit and enroll customers in the program and test the communications systems to ensure device operation. These are typical practices to prepare for the control event season.

- May 1, 2025 – October 31, 2025 – the Company and vendors will monitor the ACE electrical grid, PJM system notices, and other system operations and will initiate control events to ensure compliance with reliability standards and PJM market commitments. The program team will also continue recruiting efforts in all AMI-activated areas.

- November 1, 2025 – April 30, 2026 – the program team will assess first-year program operations and will adjust the program recruiting efforts. The team will also consider program implementation modifications to support efficient and effective operations.

- May 1, 2026 – through the end of the second triennium – the program will continue to operate and adjust per the control season schedule as outlined above.

- January 2027 – the program team will kick off planning for third triennium demand response programs leveraging lessons learned from the second triennium program and stakeholder feedback to build on the success of these programs.

[2] Order Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs. July 2023. Appendix A of Attachment C. nj.gov/bpu/pdf/boardorders/2023/20230726/8C%20ORDER%20Second%20Triennium.pdf.

Target Market or Segment (DR MFR 2.a.i.2)

This program is available to all individually metered residential, small commercial, and non-residential customers with compatible central air conditioning or heat pump systems with peak demand of less than 100 kW. All measures and services will have these requirements. ACE anticipates that businesses that do not have high customer traffic during mid-summer weekday afternoons are most likely to participate, (e.g., warehouses, churches, libraries, apartment building common areas, etc.).

Marketing is critical to inform customers about the program and its benefits and to recruit program participants to build ACE's DR capacity. The program will employ marketing tactics such as:

- Invite customers who previously participated in ACE's Energy Wise Rewards direct load control program, which was sunset in 2019, to participate in the updated program.
- Target high-value customers who are in critical distribution nodes.
- Send informational letters to successive residents in homes in which a smart thermostat was participating in the program.
- Send letters to new customers applying for ACE service for the first time, inviting them to participate in the program.
- Co-market to customers who purchased an ENERGY STAR® certified Smart Thermostat through one of the Company's energy efficiency programs
- Partner with thermostat manufacturers to promote the program for customers with smart thermostats within ACE's service territory through emails, web portals, smartphone apps, and/or on-device promotions.

Proposed Incentives, Structure and Ranges (DR MFR 2.a.i.3 and 2.a.i.6)

Customers who choose to enroll an existing smart thermostat or purchase a smart thermostat through one of the other energy efficiency programs with a rebate, will be able to enroll in the DLC program via the manufacturer's or ACE's online portal, and will receive an enrollment incentive as a credit on their electricity bill.

Customers will be eligible for ongoing participation incentives as long as they remain in the program, with participation and demand reduction performance verified via thermostat and/or AMI data. The annual ongoing participation incentive will be prorated across five months in June through October customer bills, dependent on individual billing cycles.

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

Demand Reduction Performance Measurement, Rebound Effects, and Mutual Exclusivity (DR MFR 2.a.i.4, 2.a.i.5, and 2.a.i.7)

Demand reduction performance will be measured using AMI data. Existing load curves for feeders will establish the system baseline and program performance will be measured against this baseline. AMI and device data will confirm the devices' participation in a cycling event and the amount of load dropped from the system. Specifically, load drop will be calculated as the difference between the baseline and the load curve realized during a control event.

To avoid double counting, savings will be calculated from the demand response event only. Smart thermostat savings, i.e., replacements, will not be considered since the equipment is already in place. Further, customers will not be permitted to enroll the same device or controlled equipment in multiple demand response programs offered by other demand aggregators or market participants.

Demand Response, or control events, are defined as periods where some or all participating customers have their smart thermostat setpoint adjusted or air conditioner cycled off and on for brief periods during peak electric demand periods. These cycling events typically occur on weekdays and typically last four hours. Cycling periods can occur for more than four hours or on weekends if there is a system emergency. Participation is voluntary, and participants can opt out of non-emergency events for any reason.

To minimize rebound effects after a control event, the program will turn off the smart thermostat controls. Start and stop times will be staggered across the participant devices to gradually engage and release customers' devices from the control event.

Maintaining customer awareness is important to the program's success in terms of both customer satisfaction and delivering demand reductions. The program will employ communication tactics such as:

- Pre-event communications to prepare customers for the expected adjustments to their HVAC equipment.
- Post-event communications thanking customers for participation and reminding them of the bill credit they will receive.
- End-of-the-season communications thanking customers for participation and encouraging them to remain in the program next year.

Qualified Equipment (DR MFR 2.a.i.8)

The vendor coordinated DRMS platform for the BYOD participating devices will be vetted through the Company's IT Security. The BYOD devices communicate with the DRMS via customers' home Wi-Fi. A list of complying BYOD smart thermostats that are eligible for participation in the program will be posted to the Company's website for customers' review. ACE will continually evaluate and attempt to partner with smart thermostat and other device manufacturers to deliver the program, provide grid benefits, and support customer choice.

Capital Investments (DR MFR 2.a.ii)

ACE does not plan to capitalize any investments related to this initiative. Refer to Appendix B for the budget of these capital investments.

Customer Financing Options (DR MFR 2.a.iii)

The DLC program has no financing options.

Contractor Roles & Requirements (DR MFR 2.a.iv)

ACE and third-party implementation contractors will be responsible for identifying and engaging customers to participate in the program and verifying their eligibility, which is based on equipment compatibility and, for non-residential customers, energy demand. Third-party implementation contractors will track enrollments, manage cycling events at ACE's direction, communicate with customers regarding device malfunctions and repairs, assist with cycling event opt-outs, support marketing activities, and track event results. ACE will also process the credits on customers' bills.

To select qualified third-party implementation contractors, the Utilities will prioritize criteria including but not limited to:

- Experience delivering similar programs or initiatives;
- Technology type and compatibility with existing systems;
- Resources and marketing strength;
- Customer service capabilities;
- Cost; and
- The amount of business placed with minority, women, veteran and service-disabled veteran owned businesses.

Projected Participants (DR MFR 2.a.v) and Energy Savings Relative to QPIs (DR MFR 2.a.vi)

Refer to Appendix A for the information on these MFRs.

Program budget, by year (DR MFR 2.a.vii) and Projected program costs, by year, broken down into the specified categories (DR MFR 2.a.ix)

Refer to Appendix B for the information on these MFRs.

Net Energy Metering (DR MFR 2'.b)

Net Energy Metering ("NEM") customers who have solar or other electricity generating equipment that tie into ACE's electric grid, and who participate in a demand response (DR) program, will be compensated for their energy generation per the tariff. This is described in Atlantic City Electric Company Tariff for Electric Service, Section IV - Service Classifications and Riders, Sheet No. 62. If a DR event occurs and the customer's energy use is reduced below their current generation, the surplus electricity will be delivered to the grid via the customer's meter and the customer will be compensated for that generation per the tariff. The combination of lower energy usage and excess solar generation provides combined benefit to the grid when a DR event is deemed necessary.

3b.iv Time of Use Rate Pilot

Program Description (DR MFR 2.a.i.1)

The time of use ("TOU") rate pilot will evaluate customer understanding and price response to TOU rates. ACE will seek to voluntarily enroll new and existing customers into its TOU rate option. TOU pilot customers will be provided with educational tools and information to manage consumption with the primary goal of shifting peak usage to off peak periods.

The TOU pilot will be established in Program Years 5 and 6, following the completion of the AMI rollout. The AMI meters ACE is currently installing will allow the Company to collect hourly data, which will allow implementation of time varying rates. ACE is planning to conduct data analysis necessary to design the cost-based TOU rates and develop the rates during PY4, with the intention of rolling out the pilot in PY5.

As a utility rate, portability is not possible in ACE's TOU pilot, however portability is addressed in the two other DR programs offered. Refer to Section 3b.iii for information on ACE's timelines and planning priorities related to the DER Strategic Plan, DERMS, and stakeholder engagement in grid flexibility.

Target Market or Segment (DR MFR 2.a.ii.2)

The Pilot TOU rate offering will be available to residential customers, as well as for separately metered residential electric vehicle (EV) charging. The EV charging station must be intended for the sole use of the residential customer.

These priorities address opportunities to reduce peak load without requiring distribution system investments.

Proposed Incentives, Structure and Ranges (DR MFR 2.a.i.3 and 2.a.i.6)

ACE is not proposing any incentives for the TOU rate pilot program.

Demand Reduction Performance Measurement, Rebound Effects, and Mutual Exclusivity (DR MFR 2.a.i.4, 2.a.i.5, and 2.a.i.7)

Demand reduction and customer response will be measured using established best practices. ACE proposes to establish a randomized control trial study design through the establishment of a control group of other residential customers in ACE's service territory. Through this study design, ACE will estimate potential interactive issues with other programs (including other demand response programs), rebound effects, and demand reduction.

Qualified Equipment (DR MFR 2.a.i.8)

ACE is not proposing to install any new equipment at the customer premise for the TOU rate pilot program.

Capital Investments (DR MFR 2.a.ii)

ACE is not proposing any capital investments for the TOU pilot program.

Customer Financing Options (DR MFR 2.a.iii)

The TOU pilot program has no cost to customers and thus no financing options.

Contractor Roles & Requirements (DR MFR 2.a.iv)

ACE may use a third-party contractor to complete the evaluation study and marketing efforts. If necessary, to select qualified third-party implementation contractors, the Utilities will prioritize criteria including but not limited to:

- Experience delivering similar programs or initiatives;
- Resources and marketing strength;
- Cost; and
- The amount of business placed with minority, women, veteran and service-disabled veteran owned businesses.

Projected Participants (DR MFR 2.a.v) and Energy Savings Relative to QPIs (DR MFR 2.a.vi)

ACE is not currently projecting a number of participants or energy savings for the TOU pilot program.

Program budget, by year (DR MFR 2.a.vii) and Projected program costs, by year, broken down into the specified categories (DR MFR 2.a.ix)

Refer to Appendix B for the information on these MFRs.

Program Participant Exit/Transition Financial Impacts (DR MFR 2.a.viii)

ACE does not anticipate any program participant exit/transition financial impacts. There is no equipment being installed at the customer premise and no exit fee required if a customer chooses to exit the pilot.

3b.v Flexible Load Management Pilot

Program Description (DR MFR 2.a.i.1)

Program Overview, kW Demand Reduction Goals and Curtailment Objectives

The Flexible Load Management ("FLM") pilot program will reduce energy demand for residential, small commercial, and other non-residential customers, (such as religious institutions and non-profits), by using smart thermostat to manage customers' HVAC equipment through frequent and short-interval temperature adjustments. The pilot will also be deployed during periods of high demand and PJM-emergency situations.

Customers will be able to "Bring Your Own Device" ("BYOD") by enrolling with an eligible smart thermostat from an approved manufacturer. Customers may choose to enroll in FLM using either a smart thermostat they receive or purchase through one of ACE's energy efficiency programs or one they already own. Customers will receive an enrollment incentive and will be eligible for ongoing participation incentives for as long as they remain in the program. Incentives will be delivered in the form of monetary credits on customers' bills.

The primary difference between the FLM pilot and the Direct Load Control ("DLC") demand response program is the device adjustment strategy. Compared to DLC, FLM aims to reduce customer demand via smaller and more frequent HVAC equipment adjustments, specifically temperature setpoint modifications. Due to the nature of these adjustments, enrollment will only be possible with a qualifying smart thermostat.

FLM participating customers will be grouped into cohorts based on their energy usage patterns and behavior as determined by their AMI data. These cohort groups will be used to respond to specific feeder conditions and will be deployed based on the demand reductions that are needed on the grid. These demand reductions could be based on timing, system locational need, or a customer's peak load contribution. For instance, if a cohort has a typical peak usage at 1 p.m., a control event could be scheduled for that cohort from 12:30 p.m. to 2 p.m. to reduce demand on a feeder from that group. Then, another cohort could be deployed from 1:30 p.m. to 3 p.m. to continue managing the system load.

Customers' satisfaction and behavior with realizing frequent and shorter control events will be studied. It is anticipated this experience may be more attractive to customers and may result in fewer program and event opt-outs and provide more consistent demand reduction opportunities than the DLC program.

Use of AMI

The FLM pilot will use the AMI network as described in section 3b.iii Demand Response: Direct Load Control Program, above.

Additionally, the participants energy usage history and behavioral patterns will be reviewed and studied with the intent of grouping the participants into "cohorts" or similar groups with like usage patterns. These cohorts will define when and for how long temperature adjustments will occur.

Portability in Flexible Load Management

Installing a customer's choice of device allows them to choose the model and functionality that works for their household and supports portability. The BYOD offering provides a portable solution wherein customers can discontinue participation in ACE's FLM program at any time, and that same thermostat can be used to enroll in services offered by a third-party provider.

Access to Customer Data

The FLM pilot will allow customer access to their data as described in section 3b.iii Demand Response: Direct Load Control Program, above.

DR Guiding Principles, DERMS, and Grid Flexibility

- The FLM pilot will follow the same design and guiding principles as described in section 3b.iii Demand Response: Direct Load Control Program, above.

Timeline

The FLM pilot will follow a similar timeline and deployment plan considering the activation of the ACE AMI network as described in section 3b.iii Demand Response: Direct Load Control Program, above, with the following adjustments:

- Upon program approval from the BPU and prior to the start of the second triennium, the Company will develop requests for proposal (RFPs) and secure contracts with implementation vendors and will work with its Smart Energy Network team (those deploying the AMI network) to identify the locations to initially begin program recruitment and participation efforts.

- January 1, 2025 – April 30, 2025 – the ACE program team and vendors will recruit and enroll customers in the program and test the communications systems to ensure device operation. Additionally, the participants energy usage history and behavioral patterns will be reviewed and studied with the intent of grouping the participants into cohorts, as described in the Program Overview section above.

- May 1, 2025 – October 31, 2025 – the Company and vendors will operate the pilot program by initiating control events, i.e., frequent and short duration temperature adjustments, per the customer's energy usage and behavior. The cohorts will be continuously adjusted and behavior changes as more information is learned about the usage patterns.

- November 1, 2025 – April 30, 2026 – the program team will assess the pilot's first-year operations and will adjust the program recruiting efforts as necessary to ensure appropriate participation. The team will also consideration program implementation modifications to support efficient and effective operations.

- May 1, 2026 – through the end of the second triennium – the pilot will continue to operate and adjust given the program learnings.

- January 2027 – pilot review and planning for third triennium will start and the Company

will consider if the pilot should be a program.

Target Market or Segment (DR MFR 2.a.i.2)

This program is available to all individually metered residential, small commercial, and non-residential customers with compatible central air conditioning or heat pump systems who are not already participating in the DLC program with peak demand of less than 100 kW. ACE anticipates that businesses that do not have high customer traffic during mid-summer weekday afternoons are most likely to participate, (e.g., warehouses, churches, libraries, apartment building common areas, etc.). All measures and services will have these requirements.

All residential customers with eligible equipment will be able to enroll in either the DLC program or FLM pilot, but not both. To ensure the FLM pilot's participating customers represent ACE's entire customer base across all segments, recruitment efforts will be targeted to non-DLC program participants across the ACE service territory.

Targeted marketing will follow as described in section 3b.iii Demand Response: Direct Load Control Program, above

Proposed Incentives, Structure and Ranges (DR MFR 2.a.i.3 and 2.a.i.6)

Incentives will be provided for ongoing participation in cycling events and may be offered for enrollment, if needed to drive participation in the pilot. Refer to Appendix H for the Summary of Existing and Proposed Incentive Ranges for this program.

The program will be available to all customers without any cost since they already own an eligible smart thermostat. Customers will be able to enroll in FLM via the manufacturer's or ACE's online portal. Customers will be eligible for ongoing participation incentives as long as they remain in the program, with participation and demand reduction performance verified via thermostat and/or AMI data.

Customers may be able to receive an energy efficiency rebate, when the thermostat is newly purchased through ACE's EE programs, in addition to any enrollment incentives and the demand response bill credits for each year they participate in the program.

The annual ongoing participation incentive will be prorated across five months in June through October customer bills, dependent on individual billing cycles.

Demand Reduction Performance Measurement, Rebound Effects, and Mutual Exclusivity (DR MFR 2.a.i.4, 2.a.i.5, and 2.a.i.7)

Demand reduction performance will be measured using AMI data. Existing load curves for feeders will establish the system baseline and program performance will be measured against this baseline. AMI and device data will confirm the devices' participation in a cycling event and the amount of load dropped from the system. Specifically, load drop will be calculated as the difference between the baseline and the load curve realized during a control event.

To avoid double counting, customers will not be eligible to enroll in both the DLC program and

FLM pilot. Only demand reduction savings will be calculated from the control events. Smart thermostat energy savings, i.e., incremental savings from replacing baseline thermostats, will not be considered since in the equipment is already in place.

The FLM control events are defined as brief periods where some or all participating customers have their smart thermostat setpoint adjusted. These control events typically occur on weekdays and will be for short durations, less than two hours. However, these events will be frequent, up to 200 times a year, and the Company anticipates that due to the short duration, most events will not be noticed by customers. Participation is voluntary and participants can opt out of an event and the pilot for any reason.

To minimize rebound effects after a control event, the program will turn off the event cohort by cohort, as described in the Program Overview above, to stagger the HVAC's return to its scheduled setpoint.

Qualified Equipment (DR MFR 2.a.i.8)

BYOD smart thermostats will be identified, and a list of eligible manufacturers made available to customers based on compatibility with ACE's systems, ability to perform key FLM activities, and data security standards. ACE will evaluate and attempt to partner with several major thermostat manufacturers in the delivery of this program to support customer choice and increase the reach of the program. Refer to Appendix H for the incentive ranges for this equipment.

Data and communication standards are described in section 3b.iii Demand Response: Direct Load Control Program. Communication with third-party implementation contractors and thermostats will follow the standards.

Capital Investments (DR MFR 2.a.ii)

ACE is not proposing any capital investments for the FLM pilot program.

Customer Financing Options (DR MFR 2.a.iii)

The FLM program has no financing options as customers either already own a qualifying smart thermostat or choose to obtain a thermostat outside of the program.

Contractor Roles & Requirements (DR MFR 2.a.iv)

ACE and third-party implementation contractors will be responsible for identifying and engaging customers to participate in the program and verifying their eligibility, which is based on equipment compatibility. Third-party implementation contractors will track enrollments, manage cycling events at ACE's direction, communicate with customers regarding device malfunctions and repairs, assist with cycling event opt-outs, support marketing activities, and track event results. ACE will also process the credits on customers' bills.

To select qualified third-party implementation contractors, the Utilities will prioritize criteria including but not limited to:

- Experience delivering similar programs or initiatives;
- Technology type and compatibility with existing systems;
- Resources and marketing strength;
- Customer service capabilities;
- Cost; and
- The amount of business placed with minority, women, veteran and service-disabled veteran-owned businesses.

Customer Access to Current and Historic Energy Usage Data (MFR II.a.vii)

Refer to Section 4c for a description of how each Utility will provide for customers to access their energy data.

Projected Participants (DR MFR 2.a.v) and Energy Savings Relative to QPIs (DR MFR 2.a.vi)

Refer to Appendix A for the information on these MFRs.

Program budget, by year (DR MFR 2.a.vii) and Projected program costs, by year, broken down into the specified categories (DR MFR 2.a.ix)

Refer to Appendix B for the information on these MFRs.

Net Energy Metering (DR MFR 2'.b)

Net Energy Metering ("NEM") customers who have solar or other electricity generating equipment that tie into ACE's electric grid, and who participate in a demand response (DR) program, will be compensated for their energy generation per the tariff. This is described in Atlantic City Electric Company Tariff for Electric Service, Section IV - Service Classifications and Riders, Sheet No. 62. If a DR event occurs and the customer's energy use is reduced below their current generation, the surplus electricity will be delivered to the grid via the customer's meter and the customer will be compensated for that generation per the tariff. The combination of lower energy usage and excess solar generation provides combined benefit to the grid when a DR event is deemed necessary.

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

The Company 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. 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 the Company and program. Further, the Company will conduct routine reviews to ensure consistent program deployment and execution. The Company will take corrective actions for non-compliance and conformance with program objectives or Company standards.

4b. Workforce Development and Job Training (MFR II.b.ii)

This program will expand the New Jersey clean energy workforce by providing training, certifications, wraparound services, and job placement opportunities to skilled and unskilled workers with a focus on residents of Overburdened Communities ("OBCs"). The program will also increase equity in the community by supporting local diverse and minority-owned businesses by providing help with licensing and certification, mentorship, and business acumen. The Company is also planning to establish a flagship career and technical training campus in partnership with a local community college to comprehensively address all of these goals. ACE will work closely with the Workforce Development Working Group ("WFD WG") and a number of State and community-based organizations to deliver these services where they are needed most.

ACE plans to partner with colleges and other area partners to support their HVAC programs and ensure graduates are receiving industry certifications to be successfully hired as installers and technicians to perform electrical HVAC retrofits. Training programs will offer hands-on training, giving participants the opportunity to train in real-world situations they may encounter when they enter the workforce. ACE will provide stipends for students participating in 8- to 9-week training programs covering the following courses and certifications:

- Essential Skills
- Career Coaching and Resume Development
- Introductory Craft Skills
- First Aid/CPR*
- OSHA 30*
- Chlorofluorocarbon (CFC) Certification Prep*
- Intro to HVAC/R Level 1*
- BPI AC & Heat Pump*

**certification included*

This program will target approximately 240 individuals over the course of the triennium residing in South Jersey Counties who are interested in HVAC job training and upskilling current HVAC certifications. All residents over the age of 18 residing in South Jersey Counties with a high school diploma or GED are eligible to participate pending background check and drug screening.

Participants in ACE's training program will also have access to crucial wraparound services to support workers' needs including job placement support, transportation, and childcare. Addressing these barriers to joining the workforce is crucial to ensure equitable access to the clean energy economy for all New Jersey residents.

ACE Workforce Development will work with an identified network of vendors to provide incentives to employers to interview, hire, train, retain, and advance individuals seeking employment and longer-term career pathways in energy efficiency and building decarbonization. Potential partners for the implementation of ACE's Workforce Development and Job Training program include:

- **HopeWorks**: A community group that provides a positive, healing atmosphere that propels young people to build strong futures and break the cycle of violence and poverty in Camden, New Jersey.
- **Isles, Inc.:** A community development and environmental organization founded in Trenton in 1981. The Isles' mission has four pillars: (1) Revitalize the community by working with local residents to develop energy-efficient, affordable, and healthy homes, green space, transportation, etc.; (2) Train and educate adults and youth through an alternative high school, green job training center, and family support services; (3) Build wealth through financial services and helping to restore credit and increase savings; and (4) Promote healthy living by tackling environmental hazards, fostering energy efficiency, improving]open space, and expanding access to locally grown food. In fall of 2023, Isles launched GOTrenton!, an electric mobility community-based project for Trenton to address transportation barriers, especially for the underemployed.
- **Gateway Community Action Partnership**: A partnership serving Camden, Cumberland, and Salem Counties that provides services that improve the quality of life and promote self-sufficiency, such as financial counseling/literacy, homeless prevention services, utility assistance, and life skills training.
- **Mill Hill Center:** Mill Hill Child and Family Development was established in 1971 and has since been committed to serving Trenton's children, youth, and families through individualized and culturally sensitive educational and behavioral health services. The services and programs provided today include Preschool and Youth STEM education, youth mentoring, youth and adult counseling, family support and life skills development, and youth summer employment programs.

By addressing needs of both the employees and the employer, ACE will ensure these newly trained workers are quickly and effectively deployed and can begin delivering these clean energy programs in their own communities.

4c. Customer Access to Usage Data

The deployment of AMI through ACE's Smart Energy Network ("SEN") is scheduled to be completed during the second Triennium. Once deployed and activated, the SEN increases customer usage transparency by equipping customers with a detailed, hour-by-hour view of their consumption data, easily accessible through web or mobile portals. ACE residential customers will have access to extensive customer data and bill analysis tools through the MyAccount feature of online customer service. Up to two years of usage data is also available on customers' electric bills. ACE commercial customers can enroll online in the Business Energy Manager tool to access a detailed, hour-by-hour view of their consumption data.

4d. Marketing Plan

ACE will implement direct and indirect marketing strategies to promote our energy efficiency, building decarbonization, and demand response programs. A combination of tactics, including, advertising, direct-to-customer marketing and outreach, and community events and industry events will be utilized to educate residential customers. These tactics will also extend to support retailers, distributors, and trade allies to educate both residential and commercial customers.

Marketing activities may include:

- Point-of-purchase displays and materials in retail stores
- Brochures and sales sheets that describe the benefits and features of the program, including application forms and processes. Materials will be available for public outreach opportunities, such as community events, presentations, and seminars.
- Digital (and when applicable print) advertising, including paid search, paid social media, digital display, industry publications, and more
- Direct-to-consumer and Business-to-business email marketing campaigns
- Organic social media on platforms leveraged by ACE (e.g., Facebook, Twitter, Instagram, Nextdoor)
- Bill inserts and direct mail campaigns
- Website content providing program information, contact information, online application forms, online marketplace, and links to other relevant service and information resources
- Presence at community events and conferences, at industry and local/municipal events (e.g., chambers of commerce) to increase general program awareness and distribute materials
- Engagement with retailers, wholesalers, distributors, manufacturers, trade allies and contractors directly and through trade associations to promote program participation and provide materials both for the contractors and their customers

ACE will also leverage co-marketing opportunities to encourage customers to participate in multiple offerings. For example, ACE can include information about Energy Efficient Products and Whole Home programs in our energy efficiency kits and home energy reports.

Additionally, intelligence gained through program participation will support enhanced targeting to engage customers in other offerings. For example, customers who have participated in the Energy Efficient Products program can be targeted for the Whole Home program and/or the next step on their customer journey.

The Company will also explore opportunities to provide customers personalized information with prioritized action items to encourage increased program participation.

Market barriers to participation in energy efficiency include:

- **Initial Cost of Efficient Equipment**: Relative to the market baseline, efficient equipment often carries a higher upfront cost but a lower lifetime operating cost. Customers often may not fully value the lifetime operating cost advantage of efficient equipment and, as a result,

higher upfront cost is a barrier to purchase. To address this challenge, incentives are provided to the customer to reduce the initial cost. On-bill repayment or access to financing with similar terms will also help mitigate the up-front costs. For LMI customers, enhanced incentives will be offered, as well as dedicated programs to provide comprehensive energy efficiency projects.

- **Customer Awareness and Engagement:** Customers may not be aware of the benefits of installing efficient equipment and/or lack the time and resources to pursue efficient equipment when replacing existing equipment. To address this barrier, ACE will educate customers on the benefits of installing efficient equipment through targeted marketing, ensure that incentives are easily accessible, and encourage market transformation and stocking of efficient equipment through midstream incentives. Through outreach efforts, ACE will seek to partner with retail and wholesale entities to promote program offerings, and focus marketing, education, and outreach efforts on the trade ally community to ensure that trade allies are aware of available incentives and are prepared to serve customers.
- **Contractor Awareness and Engagement:** To meet the program goals, contractors must be available to undertake the work. The Utilities will address this barrier by trying to recruit more contractors to secure the certifications necessary to participate in this program, including pursuing initiatives that align with the Workforce Development Working Group strategies to include more local, underrepresented, and disadvantaged workers. ACE will also rely on its Workforce Development program to increase contractor awareness and engagement.
- **Complex buying process:** There can be a broad range of potential energy efficiency opportunities, but it can be challenging to identify which strategies may be the most beneficial for customers. To address this barrier, the program will provide simple-to-understand marketing materials, informational guides, and recommendations. This includes customized screening and on-going support to help find the best solution for the customer and includes incentives to encourage the customer to implement the recommended solutions. Customer service representatives may assist in explaining opportunities to customers so they can make an informed decision.
- **Split incentives:** Multifamily properties can face challenges for energy efficiency improvements since the owner generally does not pay the utility bills and may not reap the full benefit of any energy efficiency investment. To address this barrier, the Utilities may explore marketing to both landlords and tenants to assure that those exposed to energy costs are able to participate in the program, provide low- and no-cost measures at no cost to the tenant or the landlord, and offer comprehensive approaches for multifamily, including application and technical and engineering support to design cost-effective projects with benefits for owners and renters. Utilities may also provide technical and outreach assistance to property owners and managers in developing and marketing green properties to attract tenants. Furthermore, to support statewide awareness of energy efficiency programs and efforts, the Company will collaborate with partnering Utilities on marketing materials and broad customer-awareness language. The Company will also participate in and support efforts of the Board-Ordered Marketing Working Group to determine appropriate measures for joint and statewide marketing efforts.

4e. Evaluation, Measurement, and Verification ("EM&V")

EM&V (MFR VI.a.)

The Utilities recognize the importance of incorporating EM&V into the energy efficiency, demand response, building decarbonization start-up, and other 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.[3]

The Utilities will continue to work with the Statewide 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

[3] 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,[4] 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.

[4] 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, demand response, and building decarbonization 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 a return on equity ("ROE") penalty under this scenario, the Utility reserves the right to remove negative savings in order to avoid incurring a penalty.

4g. Overburdened Community ("OBC") Standardization

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

- Low Income;
- Low Income & Limited English;
- Low Income & Minority; and
- 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 August 31, 2023 on the DEP website (data created and last updated on April 10, 2023) to track and report OBC participating in the programs, including for the purposes of establishing and evaluating the 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 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

Table 6: Program Financing Overview			
Program	**Eligibility**	**Terms[1]**	
Whole Home	Comprehensive retrofit projects, balance of project cost	Maximum to be financed	Up to $25,000
		Interest Rate	Up to 2.99%
		Term	Up to 7 years <=$10,000 Up to 10 years > $10,000 LMI: Up to 10 years
Efficient Products	Efficient program eligible major appliances, HVAC and water heating equipment	Maximum to be financed	Up to $25,000
		Interest Rate	Up to 2.99%
		Term	Up to 7 years, and 10 years for LMI
Multifamily	Comprehensive retrofit projects, prescriptive/custom equipment, Engineered Solutions projects, balance of program eligible project cost	Maximum to be financed	HPwES: Up to $3,000/unit Other MF sub-programs: For non-OBC and non-LMI, balance of project cost up to $250k. Above $250k, financing will cover 80% of balance of project cost. For OBC and LMI multifamily, financing for balance of project cost.
		Interest Rate	Up to 2.99%
		Term	HPwES: Up to 7 years Other MF sub-programs: 5 years LMI Properties: 10 years
Energy Solutions[2]	Comprehensive retrofit projects, prescriptive/custom equipment, Engineered Solutions projects, balance of program eligible project cost	Maximum to be financed	Financing will be available up to $250k. Above $250k, financing will cover 80% of balance of project cost. For MUSH market and OBC territories, financing available for balance of project cost after incentives.
		Interest Rate	Up to 2.99%
		Term	Up to 5 years
Direct Install[3]	Balance of program eligible project cost	Maximum to be financed	Financing will be available up to $250k. Above $250k, financing will cover 80% of balance of project cost. For MUSH market and OBC territories, financing available for balance of project cost after incentives.
		Interest Rate	Up to 2.99%
		Term	Up to 5 years
Prescriptive/Custom[2]	Efficient program eligible Prescriptive/Custom equipment	Maximum to be financed	Financing will be available up to $250k. Above $250k, financing will cover 80% of balance of project cost. For MUSH market and OBC territories, financing available for balance of project cost after incentives.

		Interest Rate	Up to 2.99%
		Term	Up to 5 years
Building Decarbonization	Balance of program eligible project cost	Maximum to be financed	Up to balance of Project Cost. For Make Ready, up to $2000 for non-Income Qualified customers.
		Interest Rate	Up to 2.99%
		Term	Up to 7 years

[1] *Minimum amounts to be financed may be required based on program, economic or other market conditions.*
[2] *Energy Solutions & Prescriptive/Custom project financing over $1,000,000 reported in quarterly reports.*
[3] *DI project financing over $250,000 reported in quarterly reports.*

5. Consistent Delivery in Overlapping Territories

NJ Utility Approach to Coordinated Program Delivery and Budgeting (MFR II c.)

In response to the New Jersey Board of Public Utilities' Order (see BPU Docket Nos. QO17091004 QO19010040 dated October 20, 2017, QO19010040 dated June 10, 2020, and QO23030150 & QO17091004 dated May 24, 2023 and July 26, 2023), 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 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[5]

- Whole Home
- Income Qualified
- 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 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

[5] The Behavioral Program is not included in this list because there are no shared savings and therefore no need to coordinate across Utilities.

(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 will include a focus by the Utilities to standardize the following 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), 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 savings between lead and partner Utilities.

6. Appendices

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	260,100	6,505,546	-	258,900	17,613,611	-	259,600	17,256,653	-	778,600	41,375,810	-
EE Products	77,775	6,009,318	12,961	175,731	14,017,675	39,524	164,527	13,136,716	33,408	418,033	33,163,709	85,892
Whole Home	7,305	1,931,510	32,827	16,247	4,225,870	81,540	14,814	3,755,188	76,238	38,365	9,912,569	190,605
Income Qualified	354	327,151	16,948	882	862,156	44,663	865	890,629	46,138	2,100	2,079,936	107,749
Multifamily	889	2,817,305	45,732	1,599	6,271,813	118,205	1,450	5,907,269	122,309	3,938	14,996,386	286,245
Prescriptive and Custom	238	16,520,020	(92,618)	513	40,564,717	(178,395)	429	35,220,546	(147,139)	1,180	92,305,284	(418,152)
Direct Install	93	2,112,783	20,063	342	7,492,982	72,538	226	6,635,539	96,177	660	16,241,304	188,778
Energy Solutions	24	2,098,848	-	64	8,580,311	83,758	58	10,267,650	170,551	147	20,946,808	254,309
Next Generation Savings	-	-	-	-	-	-	-	-	-	-	-	-
Direct Load Control	19,077	128,694	-	75,951	513,406	-	96,569	654,843	-	191,597	1,296,943	-
Flexible Load Management	353	1,607	-	1,403	7,266	-	931	7,266	-	2,687	16,140	-
Time of Use Rate	-	-	-	-	-	-	-	-	-	-	-	-
Building Decarbonization	163	(242,284)	27,935	533	(772,631)	89,572	527	(732,743)	84,953	1,222	(1,747,658)	202,460
Business Energy Manager	-	-	-	150	-	-	400	-	-	550	-	-
Statewide Coordinator	-	-	-	-	-	-	-	-	-	-	-	-
Workforce Development	-	-	-	-	-	-	-	-	-	-	-	-
Community Outreach	-	-	-	-	-	-	-	-	-	-	-	-
Portfolio Total		38,210,498	63,846		99,377,175	351,405		92,999,558	482,636		230,587,231	897,887

* 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	-	100,823	-	-	2,520,574	-	63,014				**2,684,411**
EE Products	-	2,146,126	2,861,502	10,390,255	42,560,904	178,844	1,064,023				**59,201,653**
Whole Home	-	1,289,913	2,063,860	5,159,650	44,568,511	128,991	1,114,213				**54,325,138**
Income Qualified	-	1,127,582	1,127,582	2,255,164	12,671,205	112,758	563,791	9,880,434			**27,738,515**
Multifamily	-	1,164,257	2,095,662	5,588,433	56,617,798	232,851	1,415,445				**67,114,447**
Prescriptive and Custom	-	2,028,405	1,521,304	6,085,216	50,710,130	253,551	1,267,753				**61,866,359**
Direct Install	-	852,745	2,558,236	9,555,197	51,996,357	213,186	1,299,909				**66,475,630**
Energy Solutions	-	700,637	756,688	2,802,547	47,227,826	140,127	1,180,696				**52,808,522**
Next Generation Savings	-	-	-	-	-	-	-				**-**
Direct Load Control	-	213,181	3,680,409	3,182,151	10,659,073	-	266,477				**18,001,291**
Flexible Load Management	-	3,989	750,000	49,863	199,454	-	4,986				**1,008,293**
Time of Use Rate	-	-	3,000,000	600,000	-	-	-				**3,600,000**
Building Decarbonization	-	1,190,008	1,785,012	2,677,518	26,235,638	74,375	655,891				**32,618,442**
Business Energy Manager	-	274,621	686,553	1,668,556	-	41,193	205,966				**2,876,889**
Statewide Coordinator	-	-	-	500,000	-	-	-				**500,000**
Workforce Development	-	-	-	-	-	-	-		1,239,991		**1,239,991**
Community Outreach	-	-	-	-	-	-	-			300,000	**300,000**
Portfolio Total	**-**	**11,092,287**	**22,886,806**	**50,514,551**	**345,967,469**	**1,375,878**	**9,102,163**	**9,880,434**	**1,239,991**	**300,000**	**452,359,579**

Program Year 4	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	-	16,804	-	-	420,096	-	10,502				**447,402**
EE Products	-	386,924	515,899	1,930,647	7,488,446	32,244	187,211				**10,541,371**
Whole Home	-	226,523	362,436	906,091	7,404,517	22,652	185,113				**9,107,333**
Income Qualified	-	169,643	169,643	339,286	1,976,958	16,964	84,822	1,415,905			**4,173,221**
Multifamily	-	198,011	356,419	950,450	9,654,154	39,602	241,354				**11,439,990**
Prescriptive and Custom	-	359,988	269,991	1,079,964	8,999,703	44,999	224,993				**10,979,637**
Direct Install	-	101,500	304,499	1,191,495	6,126,407	25,375	153,160				**7,902,435**
Energy Solutions	-	116,937	126,292	467,748	7,669,811	23,387	191,745				**8,595,920**
Next Generation Savings	-	-	-	-	-	-	-				**-**
Direct Load Control	-	20,849	1,328,072	1,059,558	1,042,444	-	26,061				**3,476,984**
Flexible Load Management	-	529	310,000	6,615	26,460	-	661				**344,265**
Time of Use Rate	-	-	1,000,000	200,000	-	-	-				**1,200,000**
Building Decarbonization	-	121,158	181,736	272,605	2,648,229	7,572	66,206				**3,297,506**
Business Energy Manager	-	91,540	283,775	333,711	-	13,731	68,655				**791,413**
Statewide Coordinator	-	-	-	230,330	-	-	-				**230,330**
Workforce Development	-	-	-	-	-	-	-		413,330		**413,330**
Community Outreach	-	-	-	-	-	-	-			100,000	**100,000**
Portfolio Total	**-**	**1,810,405**	**5,208,763**	**8,968,501**	**53,457,222**	**226,527**	**1,440,483**	**1,415,905**	**413,330**	**100,000**	**73,041,137**

Program Year 5	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	-	42,010	-	-	1,050,239	-	26,256				**1,118,505**
EE Products	-	945,612	1,260,816	4,537,855	18,663,787	78,801	466,595				**25,953,465**
Whole Home	-	548,643	877,828	2,194,570	18,996,604	54,864	474,915				**23,147,425**
Income Qualified	-	460,679	460,679	921,359	5,246,015	46,068	230,340	3,967,575			**11,332,716**
Multifamily	-	476,309	857,355	2,286,281	23,111,840	95,262	577,796				**27,404,843**
Prescriptive and Custom	-	881,470	661,102	2,644,410	22,036,748	110,184	550,919				**26,884,833**
Direct Install	-	366,355	1,099,064	4,079,902	22,511,106	91,589	562,778				**28,710,793**
Energy Solutions	-	303,409	327,682	1,213,635	20,318,511	60,682	507,963				**22,731,881**
Next Generation Savings	-	-	-	-	-	-	-				**-**
Direct Load Control	-	83,896	1,140,838	1,079,078	4,194,788	-	104,870				**6,603,469**
Flexible Load Management	-	2,218	310,000	27,730	110,919	-	2,773				**453,641**
Time of Use Rate	-	-	1,000,000	200,000	-	-	-				**1,200,000**
Building Decarbonization	-	476,589	714,883	1,072,325	10,330,246	29,787	258,256				**12,882,086**
Business Energy Manager	-	91,540	283,775	667,422	-	13,731	68,655				**1,125,124**
Statewide Coordinator	-	-	-	132,191	-	-	-				**132,191**
Workforce Development	-	-	-	-	-	-	-		413,330		**413,330**
Community Outreach	-	-	-	-	-	-	-			100,000	**100,000**
Portfolio Total	**-**	**4,678,729**	**8,994,024**	**21,056,758**	**146,570,804**	**580,967**	**3,832,115**	**3,967,575**	**413,330**	**100,000**	**190,194,302**

Program Year 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	-	42,010	-	-	1,050,239	-	26,256				**1,118,505**
EE Products	-	813,590	1,084,787	3,921,754	16,408,672	67,799	410,217				**22,706,818**
Whole Home	-	514,747	823,595	2,058,988	18,167,389	51,475	454,185				**22,070,379**
Income Qualified	-	497,259	497,259	994,519	5,448,232	49,726	248,630	4,496,954			**12,232,578**
Multifamily	-	489,938	881,888	2,351,701	23,851,804	97,988	596,295				**28,269,614**
Prescriptive and Custom	-	786,947	590,210	2,360,841	19,673,679	98,368	491,842				**24,001,888**
Direct Install	-	384,891	1,154,673	4,283,800	23,358,844	96,223	583,971				**29,862,402**
Energy Solutions	-	280,291	302,714	1,121,164	19,239,505	56,058	480,988				**21,480,720**
Next Generation Savings	-	-	-	-	-	-	-				**-**
Direct Load Control	-	108,437	1,211,498	1,043,515	5,421,841	-	135,546				**7,920,838**
Flexible Load Management	-	1,241	130,000	15,519	62,075	-	1,552				**210,387**
Time of Use Rate	-	-	1,000,000	200,000	-	-	-				**1,200,000**
Building Decarbonization	-	592,262	888,392	1,332,588	13,257,163	37,016	331,429				**16,438,851**
Business Energy Manager	-	91,540	119,002	667,422	-	13,731	68,655				**960,352**
Statewide Coordinator	-	-	-	137,479	-	-	-				**137,479**
Workforce Development	-	-	-	-	-	-	-		413,330		**413,330**
Community Outreach	-	-	-	-	-	-	-			100,000	**100,000**
Portfolio Total	**-**	**4,603,153**	**8,684,020**	**20,489,292**	**145,939,442**	**568,384**	**3,829,565**	**4,496,954**	**413,330**	**100,000**	**189,124,141**

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

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)
The budget summary below includes only the budgets for coordinated programs in which costs are shared.

Program Year	Total Budget Summary	Lead Program Budget[1,2]
Program Year 4	73,041,137	62,739,907
Program Year 5	190,194,302	166,165,956
Program Year 6	189,124,141	160,624,400
Portfolio Total	452,359,579	389,530,263

*Budgets include commitments for projects that may be paid in future years
** Total includes investment and & administrative costs

[1] The Lead Program Budget 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] Please refer to Section 5 of the plan for more information regarding the approach to budgeting; Per the budget adjustment mechanism described in Section 5 of this Program Plan, the Utilities are providing the lead program budget which represents funding to be spent on joint projects.

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 kW**	**Total $/ Lifetime MMBtu**
Residential	**0.26**			
C&I	**0.11**			
Multifamily	**0.22**			
Building Decarbonization				**323.65**
Demand Response			**19.21**	

* Total energy efficiency budget, excludes building decarbonization and demand response

** Only for lead fuel

6e. Appendix E: Benefit Cost Analysis

Total Resource Cost Test (TRC)			Res	C&I	MF	LMI	Total Portfolio
BENEFITS							
1	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 15,303,703	$ 46,619,665	$ 5,833,016	$ 927,873	$ 68,684,258
2	Lifetime Avoided Wholesale Electric Capacity Costs		$ 3,714,455	$ 5,140,055	$ 678,388	$ 96,130	$ 9,629,029
3	Lifetime Avoided Wholesale Natural Gas and Delivered Fuel Costs		$ 1,084,323	$ 1,134,577	$ 1,315,519	$ 523,040	$ 4,057,460
4	Lifetime DRIPE Benefits (E&G)		$ 1,005,124	$ 2,644,715	$ 391,346	$ 77,352	$ 4,118,537
5	Lifetime Avoided RPS REC Purchase Costs		$ 1,666,279	$ 4,201,109	$ 504,950	$ 73,494	$ 6,445,832
6	Lifetime Avoided Wholesale Volatility Costs (E&G)		$ 2,010,248	$ 5,289,430	$ 782,692	$ 154,704	$ 8,237,075
7	Lifetime Avoided T&D Costs (E&G)		$ 9,483,054	$ 17,030,476	$ 2,092,538	$ 341,284	$ 28,947,352
	Total Benefits	***1+2+3+4+5+6+7***	**$ 34,267,187**	**$ 82,060,027**	**$ 11,598,451**	**$ 2,193,877**	**$ 130,119,542**
COSTS							
8	Lifetime Incremental Costs		$ 46,745,122	$ 83,828,989	$ 14,228,279	$ 5,666,855	$ 150,469,244
9	Lifetime Administration Costs		$ 30,597,795	$ 28,015,392	$ 9,428,314	$ 4,648,824	$ 73,149,725
	Total Costs	***8+9***	**$ 77,342,917**	**$ 111,844,381**	**$ 23,656,593**	**$ 10,315,679**	**$ 223,618,970**
	Benefit Cost Ratio	**(1+2+3+4+5+6+7)/(8+9)**	**0.4**	**0.7**	**0.5**	**0.2**	**0.6**

Participant Cost Test (PCT)			Res	C&I	MF	LMI	Total Portfolio
BENEFITS							
10	Lifetime Avoided Retail Electric Costs		$ 77,226,130	$ 193,474,217	$ 28,988,753	$ 4,592,940	$ 304,282,040
11	Lifetime Avoided Retail Natural Gas and Delivered Fuel Costs		$ 3,494,678	$ 2,308,948	$ 4,424,860	$ 1,684,434	$ 11,912,920
12	Lifetime Program Incentive Costs		$ 67,155,430	$ 108,989,748	$ 41,830,457	$ 20,212,278	$ 238,187,913
13	Lifetime Time-Value of Loan Repayments		$ -	$ -	$ -	$ -	$ -
	Total Benefits	***10+11+12+13***	**$ 147,876,237**	**$ 304,772,912**	**$ 75,244,070**	**$ 26,489,653**	**$ 554,382,872**
COSTS							
14	Lifetime Participant Costs		$ 56,228,630	$ 94,415,556	$ 17,958,437	$ 5,666,855	$ 174,269,478
	Total Costs	***14***	**$ 56,228,630**	**$ 94,415,556**	**$ 17,958,437**	**$ 5,666,855**	**$ 174,269,478**
	Benefit Cost Ratio	**(10+11+12+13)/14**	**2.6**	**3.2**	**4.2**	**4.7**	**3.2**

Program Administrator Cost Test (PAC)			Res	C&I	MF	LMI	Total Portfolio
BENEFITS							
15	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 15,303,703	$ 46,619,665	$ 5,833,016	$ 927,873	$ 68,684,258
16	Lifetime Avoided Wholesale Electric Capacity Costs		$ 3,714,455	$ 5,140,055	$ 678,388	$ 96,130	$ 9,629,029
17	Lifetime Avoided Wholesale Natural Gas and Delivered Fuel Costs		$ 1,084,323	$ 1,134,577	$ 1,315,519	$ 523,040	$ 4,057,460
18	Lifetime DRIPE Benefits (E&G)		$ 1,005,124	$ 2,644,715	$ 391,346	$ 77,352	$ 4,118,537
19	Lifetime Avoided RPS REC Purchase Costs		$ 1,666,279	$ 4,201,109	$ 504,950	$ 73,494	$ 6,445,832
20	Lifetime Avoided Wholesale Volatility Costs		$ 2,010,248	$ 5,289,430	$ 782,692	$ 154,704	$ 8,237,075
21	Lifetime Avoided T&D Costs		$ 9,483,054	$ 17,030,476	$ 2,092,538	$ 341,284	$ 28,947,352
	Total Benefits	***15+16+17+18+19+20+21***	**$ 34,267,187**	**$ 82,060,027**	**$ 11,598,451**	**$ 2,193,877**	**$ 130,119,542**
COSTS							
22	Lifetime Administration Costs		$ 30,597,795	$ 28,015,392	$ 9,428,314	$ 4,648,824	$ 73,149,725
23	Lifetime Program Investment Costs		$ 67,155,430	$ 108,989,748	$ 41,830,457	$ 20,212,278	$ 238,187,913
24	Lifetime Time-Value of Loan Repayments		$ -	$ -	$ -	$ -	$ -
	Total Costs	***22+23+24***	**$ 97,753,225**	**$ 137,005,139**	**$ 51,258,771**	**$ 24,861,102**	**$ 311,337,638**
	Benefit Cost Ratio	**(15+16+17+18+19+20+21)/(22+23+24)**	**0.4**	**0.6**	**0.2**	**0.1**	**0.4**

Ratepayer Impact Measure Test (RIM)			Res	C&I	MF	LMI	Total Portfolio
BENEFITS							
25	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 15,303,703	$ 46,619,665	$ 5,833,016	$ 927,873	$ 68,684,258
26	Lifetime Avoided Wholesale Electric Capacity Costs		$ 3,714,455	$ 5,140,055	$ 678,388	$ 96,130	$ 9,629,029
27	Lifetime Avoided Wholesale Natural Gas and Delivered Fuel Costs		$ 1,084,323	$ 1,134,577	$ 1,315,519	$ 523,040	$ 4,057,460
28	Lifetime DRIPE Benefits (E&G)		$ 1,005,124	$ 2,644,715	$ 391,346	$ 77,352	$ 4,118,537
29	Lifetime Avoided RPS REC Purchase Costs		$ 1,666,279	$ 4,201,109	$ 504,950	$ 73,494	$ 6,445,832
30	Lifetime Avoided Wholesale Volatility Costs		$ 2,010,248	$ 5,289,430	$ 782,692	$ 154,704	$ 8,237,075
31	Lifetime Avoided T&D Costs		$ 9,483,054	$ 17,030,476	$ 2,092,538	$ 341,284	$ 28,947,352
	Total Benefits	***25+26+27+28+29+30+31***	**$ 34,267,187**	**$ 82,060,027**	**$ 11,598,451**	**$ 2,193,877**	**$ 130,119,542**
COSTS							
32	Lifetime Administration Costs		$ 30,597,795	$ 28,015,392	$ 9,428,314	$ 4,648,824	$ 73,149,725
33	Lifetime Program Investment Costs		$ 67,155,430	$ 108,989,748	$ 41,830,457	$ 20,212,278	$ 238,187,913
34	Lifetime Re-allocated Distribution Costs		$ 24,723,291	$ 36,201,478	$ 11,223,531	$ 2,528,869	$ 74,677,168
35	Lifetime Time-Value of Loan Repayments		$ -	$ -	$ -	$ -	$ -
	Total Costs	***32+33+34+35***	**$ 122,476,516**	**$ 173,206,618**	**$ 62,482,302**	**$ 27,389,971**	**$ 386,014,807**
	Benefit Cost Ratio	**(25+26+27+28+29+30+31)/(32+33+34+35)**	**0.3**	**0.5**	**0.2**	**0.1**	**0.3**

Societal Cost Test (SC)			Res	C&I	MF	LMI	Total Portfolio
BENEFITS							
36	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 16,553,038	$ 51,597,199	$ 6,480,117	$ 1,033,452	$ 75,663,805
37	Lifetime Avoided Wholesale Electric Capacity Costs		$ 3,974,581	$ 5,861,333	$ 772,506	$ 108,934	$ 10,717,355
38	Lifetime Avoided Wholesale Natural Gas and Delivered Fuel Costs		$ 1,219,017	$ 1,359,096	$ 1,481,319	$ 584,989	$ 4,644,422
39	Lifetime DRIPE Benefits (E&G)		$ 1,087,332	$ 2,940,881	$ 436,697	$ 86,369	$ 4,551,279
40	Lifetime Avoided RPS REC Purchase Costs		$ 1,755,414	$ 4,494,455	$ 541,741	$ 79,168	$ 6,870,778
41	Lifetime Avoided Wholesale Volatility Costs		$ 2,174,664	$ 5,881,763	$ 873,394	$ 172,738	$ 9,102,558
42	Lifetime Avoided T&D Costs		$ 10,028,335	$ 19,139,803	$ 2,345,207	$ 381,366	$ 31,894,710
43	Lifetime Avoided Emissions Damages		$ 18,548,716	$ 55,838,239	$ 8,849,436	$ 1,756,886	$ 84,993,278
44	Job and Savings Multiplier Benefits		$ -	$ -	$ -	$ -	$ -
45	Non-Energy Benefit Adder		$ 3,930,594	$ 10,820,209	$ 1,587,866	$ 309,848	$ 16,648,517
46	Low-Income Adder		$ 682,230	$ -	$ 137,560	$ 272,062	$ 1,091,852
	Total Benefits	***36+37+38+39+40+41+42+43+44+45+46***	**$ 59,953,920**	**$ 157,932,977**	**$ 23,505,844**	**$ 4,785,812**	**$ 246,178,553**
COSTS							
47	Lifetime Incremental Costs		$ 47,815,280	$ 85,695,158	$ 14,545,776	$ 5,796,931	$ 159,503,318
48	Lifetime Administration Costs		$ 31,261,542	$ 28,657,210	$ 9,642,535	$ 4,756,650	$ 75,387,608
	Total Costs	***47+48***	**$ 79,076,822**	**$ 114,352,368**	**$ 24,188,310**	**$ 10,553,581**	**$ 234,890,926**
	Benefit Cost Ratio	**(36+37+38+39+40+41+42+43+44+45+46)/(47+48)**	**0.8**	**1.4**	**1.0**	**0.5**	**1.0**

New Jersey Cost Test (NJCT)			Res	C&I	MF	LMI	Total Portfolio
BENEFITS							
49	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$ 16,553,038	$ 51,597,199	$ 6,480,117	$ 1,033,452	$ 75,663,805
50	Lifetime Avoided Wholesale Electric Capacity Costs		$ 3,974,581	$ 5,861,333	$ 772,506	$ 108,934	$ 10,717,355
51	Lifetime Avoided Wholesale Natural Gas and Delivered Fuel Costs		$ 1,219,017	$ 1,359,096	$ 1,481,319	$ 584,989	$ 4,644,422
52	Lifetime DRIPE Benefits (E&G)		$ 1,087,332	$ 2,940,881	$ 436,697	$ 86,369	$ 4,551,279
53	Lifetime Avoided Electric Transmission Costs		$ 10,028,335	$ 19,139,803	$ 2,345,207	$ 381,366	$ 31,894,710
54	Lifetime Avoided Electric Distribution Costs		$ 24,055,869	$ 38,587,858	$ 9,030,226	$ 1,472,746	$ 73,146,699
55	Lifetime Avoided Emissions Damages		$ 18,548,716	$ 55,838,239	$ 8,849,436	$ 1,756,886	$ 84,993,278
56	Non-Energy Benefit Adder		$ 4,929,345	$ 12,134,747	$ 1,727,377	$ 329,267	$ 19,120,736
57	Low-Income Adder		$ 860,011	$ -	$ 172,738	$ 329,267	$ 1,362,015
	Total Benefits	***49+50+51+52+53+54+55+56+57***	**$ 81,256,243**	**$ 187,459,156**	**$ 31,295,623**	**$ 6,083,276**	**$ 306,094,298**
COSTS							
58	Lifetime Incremental Costs		$ 47,815,280	$ 85,695,158	$ 14,545,776	$ 5,796,931	$ 153,853,144
59	Lifetime Administration Costs		$ 31,261,542	$ 28,657,210	$ 9,642,535	$ 4,756,650	$ 74,785,526
	Total Costs	***58+59***	**$ 79,076,822**	**$ 114,352,368**	**$ 24,188,310**	**$ 10,553,581**	**$ 228,638,671**
	Benefit Cost Ratio	**(49+50+51+52+53+54+55+56+57)/(58+59)**	**1.0**	**1.6**	**1.3**	**0.6**	**1.3**

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	0.8	0.4	2.6	0.4	0.3
C&I	1.6	1.4	0.7	3.2	0.6	0.5
MF	1.3	1	0.5	4.2	0.2	0.2
LMI	0.6	0.5	0.2	4.7	0.1	0.1
Total Portfolio	**1.3**	**1**	**0.6**	**3.2**	**0.4**	**0.3**
Behavioral	3.1	2.2	1.4	4.7	1.4	0.7
EE Products	1.2	0.9	0.5	3.4	0.3	0.3
Whole Home	0.8	0.6	0.3	2.1	0.2	0.2
Income Qualified	0.6	0.5	0.2	4.7	0.1	0.1
Multifamily	1.3	1	0.5	4.2	0.2	0.2
Prescriptive and Custom	1.9	1.6	0.9	3.4	1	0.7
Direct Install	1.2	0.9	0.5	4.5	0.2	0.2
Energy Solutions	1.5	1.4	0.7	2.2	0.5	0.4
Next Generation Savings	n/a	n/a	n/a	n/a	n/a	n/a
Direct Load Control	0.6	0.5	0.5	1.2	0.5	0.5
Flexible Load Management	0.1	0.1	0.1	1.2	0.1	0.1
Time of Use Rate	0	0	0	n/a	0	0
Building Decarbonization	0	0	0	0.8	0	0
Business Energy Manager	0	0	0	n/a	0	0
Statewide Coordinator	0	0	0	n/a	0	0
Workforce Development	0	0	0	n/a	0	0
Community Outreach	0	0	0	n/a	0	0

6e. 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	368,659	7		2,216,805	196,707	212,628	24.41
Program Year 5	868,536	19		6,050,308	446,028	548,661	23.20
Program Year 6	863,144	18		5,897,463	438,963	482,655	22.76
Portfolio Total	2,100,339	44		14,164,576	1,081,697	1,243,944	23.20

* QPIs based only on lead fuel

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

*** CTA removes BD, DR, and gas related costs. Includes other demonstrations and workforce development, LMI, etc.

6g. Appendix G: Additional Utility-Led Initiatives

Building Decarbonization Metrics (BD MFRs VII.a. & VII.b.)

	Site and source energy savings by fuel (MMBtu)								Site and source lifetime energy savings by fuel (MMBtu)							
	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
Program Year 4	(741)	(1,848)	2,754	2,794					(10,856)	(27,078)	39,941	40,520				
Program Year 5	(2,363)	(5,833)	8,829	8,957					(34,503)	(85,159)	127,729	129,582				
Program Year 6	(2,241)	(5,474)	8,374	8,495					(32,684)	(79,818)	120,979	122,734				
Savings Beyond PY6																
Total	**(5,346)**	**(13,155)**	**19,956**	**20,246**	**-**	**-**	**-**	**-**	**(78,043)**	**(192,055)**	**288,648**	**292,836**	**-**	**-**	**-**	**-**

	Site and source annual emissions savings by fuel (CO2e MT)								Site and source lifetime emissions savings by fuel (CO2e MT)							
	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
Program Year 4		(108)	146	148					-	(1,575)	2,120	2,150				
Program Year 5		(336)	469	475					-	(4,913)	6,779	6,877				
Program Year 6		(313)	444	451					-	(4,566)	6,420	6,514				
Savings Beyond PY6																
Total	**-**	**(757)**	**1,059**	**1,074**	**-**	**-**	**-**	**-**	**-**	**(11,054)**	**15,319**	**15,541**	**-**	**-**	**-**	**-**

	Net annual peak demand savings by fuel (electricity and natural gas only) (peak MW or peak-day therm)				CO2 emissions savings by fuel (CO2e MT)				Net CO2 emissions savings across fuels (CO2e MT)	Levelized cost per metric ton of CO2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO2e impacts)
	Electric	Natural Gas	Fuel Oil	Propane	Electric	Natural Gas	Fuel Oil	Propane	All Fuels (sum of prior 4 columns)	
Program Year 4	0.04	605			(108)	148	-	-	41	19,425
Program Year 5	0.12	1,936			(336)	475	-	-	139	8,102
Program Year 6	0.11	1,828			(313)	451	-	-	138	6,972
Savings Beyond PY6									-	
Total	**0.26**	**4,369**	**-**	**-**	**(757)**	**1,074**	**-**	**-**	**317**	**34,499**

	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	
		Program Participants		Installations		Number of Installations	Geographic Location of Installations
		Overall	LMI Customers	Overall	LMI Customers		
Program Year 4		163	37	163	37	163	South Jersey
Program Year 5		533	97	533	97	533	South Jersey
Program Year 6		527	97	527	97	527	South Jersey
Savings Beyond PY6							South Jersey
Total	-	**1,222**	**231**	**1,222**	**231**	**1,222**	

Demand Response Metrics

	Dollars spent per customer enrolled per $ spent ($/participant) by segment for each proposed program		Dollars spent per capacity enrolled ($/kW) by each segment for each proposed program		Intensity impact (kWh or 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.[1]	
	Residential	Commercial & Industrial	Residential	Commercial & Industrial	Residential	Commercial & Industrial	Residential	Commercial & Industrial
Program Year 4	237	485	278	485	7,589	238		
Program Year 5	97	198	113	198	7,589	1,072		
Program Year 6	86	170	101	170	9,433	1,582		
Total	419	853	493	853	24,612	2,892		

[1] This assumption was not included for planning purposes, and will be reported based on future events

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**
Efficient Products - Electric	LED Fixtures	$20	Per unit	Same	$10
	Occupancy Sensors	$80	Per unit	Same	$7
	LED Holiday Lights	$5	Per unit	Same	$5
	Ceiling Fans	$35	Per unit	Same	$35
	LED Table/Desk Lamps	$15	Per unit	Same	$15
	Clothes Washer - Tier 1	$0	Per unit	Same	$50
	Clothes Washer - Tier 2	$150	Per unit	Same	$100
	Clothes Washer - Tier 3	$200	Per unit	Same	$100
	Electric Clothes Dryer	$500	Per unit	Same	$300
	Refrigerator	$100 Tier 1, $125 Tier 2	Per unit	Same	$100
	Freezers	$100	Per unit	Same	$75
	Dishwasher	$50	Per unit	Same	$25
	Induction Cooktop Stove	$100	Per unit	Same	$25
	Air Purifier / Cleaner	$75	Per unit	Same	$50
	Room A/C Unit	$50	Per unit	Same	$30
	Dehumidifier	$50	Per unit	Same	$35
	Heat Pump Water Heater	$750	Per unit	Up to a 50% incentive adder	$1,000
	Smart Thermostats [3]	$150	Per unit	Same	$125
	Pool Pump	$500	Per unit	Same	$500

	Sound Bars	$25	Per unit	Same	$20
	Water Cooler	$30	Per unit	Same	$25
	Electric Vehicle Charger	$0	Per unit	Same	$50
	Monitors	$25	Per unit	Same	$25
	Computers	$25	Per unit	Same	$25
	Imaging	$30	Per unit	Same	$25
	Smart Strip Plug Outlets Tier 1	$25	Per unit	Same	$40
	Smart Strip Plug Outlets Tier 2	$40	Per unit	Same	$40
	TVs	$150	Per unit	Same	$50
	Smart Home	Up to full incremental cost	Per unit	Same	$10
	Refrigerator Recycling	$175	Per unit	Same	$100
	Freezer Recycling	$175	Per unit	Same	$100
	Room A/C Unit Recycling	$50	Per unit	Same	$35
	Dehumidifier Recycling	$175	Per unit	Same	$35
	EE Kits	$75	Per unit	Same	$60
	Central Air Conditioning	$200	Per unit	Up to 100% incentive adder	$500
	Air Source Heat Pump	$750	Per unit	Up to 50% adder	$1,000
	Air Source to cold-climate Heat Pump	$2,000	Per unit	Up to 50% adder	n/a
	Electric Resistance to cold-climate Heat Pump	Lesser of $10,000, or 50% of project cost	Per house	Up to 50% adder	n/a
	Geothermal Heat Pump	$10,000	Per unit	Up to 50% adder	$1,500
	ASHP to GSHP	Lesser of $2,000 per 10,000 BTUh, or	Per 10,000 BTUh	Up to 50% adder	$1,500

		20% of project cost			
	Electric Resistance to GSHP	Lesser of $3,500 per 10,000 BTUh, or 40% of project cost	Per 10,000 BTUh	Up to 50% adder	n/a
	Air-to-Water Heat Pumps	$1600 per 10,000 BTUh	Per 10,000 BTUh	Up to 50% adder	New
	Ductless Mini-Split Heat Pump	$750	Per unit	Up to 50% adder	$400
	Furnace Fans (ECM)	$125	Per unit	up to $750	$100
	PTAC - CEE Tier 2 - Multi Family	$75	Per unit	up to 50% adder	$50
	PTHP - CEE Tier 2- Multi Family	$250	Per unit	Up to 50% adder	$125
	Integrated Controls for heat pumps	$1,500	Per unit	Same	New
	Circulating Pump	$600	Per unit	Same	$75
	Thermostatic Shower Valves	$20	Per unit	Same	New
	Bathroom Fan	$50	Per unit	Same	$20
	HVAC Maintenance	$250	Per unit	up to $400	$100
	HVAC Quality Install	$500	Per unit	Same	$450
	Supplemental incentive for LMI customers (limited to qualifying HVAC equipment)	$300	per qualifying unit		$200

Notes

1 - Utilities may propose new measures or incentives for inclusion in the annual Program Year TRM ("PY TRM") update. They must provide justification for these proposals, which the TRM Committee will review. If approved, the new measures or incentives will be included in the next PY TRM update, following the established process. The EM&V Working Group is currently drafting this process for BPU 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 * Initially, ACE, ETG, JC, NJNG, RECO and SJG used Option A and PSE&G used Option B.	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.	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.

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	**Lighting (Retrofit & New Construction)**				
	LED TROFFER LUMINAIRES				
	New LED linear recessed troffer/panel for 2x2, 1x4 and 2x4 luminaires	$100	Per Fixture	Same	$100
	1 x 4 LED new luminaire rated	$100	Per Fixture	Same	
	2 x 2 LED new luminaire	$100	Per Fixture	Same	
	2 x 4 LED new luminaire	$100	Per Fixture	Same	
	LED LINEAR AMBIENT/STAIRWELL LUMINAIRES				
	New LED linear ambient luminaire	$100	Per Fixture	Same	$30 per foot
	LED direct/indirect linear ambient 2 ft. new luminaire	$100	Per Fixture	Same	$30 per foot
	LED direct/indirect linear ambient 3 ft. new luminaire	$100	Per Fixture	Same	$30 per foot
	LED direct/indirect linear ambient 4 ft. new luminaire	$100	Per Fixture	Same	$30 per foot
	LED direct/indirect linear ambient 6 ft. new luminaire	$100	Per Fixture	Same	$30 per foot
	LED direct/indirect linear ambient 8 ft. new luminaire	$100	Per Fixture	Same	$30 per foot
	New LED stairwell luminaire	$100	Per Fixture	Same	$100
	LED INTERIOR DIRECTIONAL LUMINAIRES				
	New LED wall wash luminaire	$60	Per Fixture	Same	$30 per head
	New LED track/mono-point luminaire Directional Lighting Fixtures	$60	Per Head	Same	$40 per foot
	LED DISPLAY CASE LUMINAIRES				
	New LED display case luminaire, including refrigerator/freezer display	$60	Per Fixture	Same	$50
	Refrigerated Case Lighting 4'	$80	Per Fixture	Same	$50

	Refrigerated Case Lighting 5'	$80	Per Fixture	Same	$50
	Refrigerated Case Lighting 6'	$80	Per Fixture	Same	$50
	LED HIGH/LOW BAY LUMINAIRES				
	New LED High Bay	$450	Per Fixture	Same	$600
	New LED Low Bay	$200	Per Fixture	Same	$600
	New LED luminaire - wall packs, flood lights, canopy, landscape	$450	Per Fixture	Same	$600
	LED Architectural Flood and Spot Luminaries				
	LED Bollard Fixtures				
	LED Fuel Pump Canopy				
	LED Landscape/Accent Flood and Spot Luminaires				
	LED Large Outdoor Pole/Arm-Mounted Area and Roadway Retrofit				
	LED Outdoor Pole/Arm-Mounted Area and Roadway Luminaires				
	LED Outdoor Pole/Arm-Mounted Decorative Luminaires				
	LED Outdoor Wall-Mounted Area Luminaires				
	LED Parking Garage Luminaires				
	LED RETROFIT KITS				
	LED linear tube retrofit kit for 2x2, 1x4 and 2x4 fixtures	$50	Per Fixture	Same	$45
	1 x 4 LED retrofit kit	$50	Per Kit	Same	$45
	2 x 2 LED retrofit kit	$50	Per Kit	Same	$45
	2 x 4 LED retrofit kit	$50	Per Kit	Same	$45
	LED integrated retrofit kit for 2x2, 1x4 and 2x4 fixtures	$50	Per Kit	Same	
	1 x 4 LED integrated retrofit kit	$50	Per Kit	Same	$120
	2 x 2 LED integrated retrofit kit	$50	Per Kit	Same	$120
	2 x 4 LED integrated retrofit kit	$50	Per Kit	Same	$120
	LED retrofit kit for linear ambient luminaire	$50	Per Fixture	Same	
	LED direct linear ambient 2 ft. retrofit kit	$50	Per Fixture	Same	$15 per foot
	LED direct linear ambient 4 ft. retrofit kit	$50	Per Fixture	Same	$15 per foot
	LED direct linear ambient 8 ft	$50	Per Fixture	Same	$15 per foot

	LED Retrofit kit for Low Bay	$150	Per Fixture	Same	$100
	LED Retrofit kit for High Bay	$300	Per Fixture	Same	$100
	LED retrofit kit for exterior luminaire Covered below by E39 HID lamps.	$60	Per Fixture	Same	$100
	LED retrofit kit for recessed downlight	$60	Per Fixture	Same	$100
Energy Solutions for Businesses-Prescriptive Measures	**LED ENERGY STAR FIXTURES**				
	New LED ENERGY STAR LED fixture - recessed downlight, specialty, cove, under cabinet, vent fan, ceiling mount, etc.	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Accent Light Line Voltage	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Bath Vanity	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Ceiling Mount	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Close to Ceiling Mount	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Cove Mount	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Decorative Pendant	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Downlight Pendant	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Downlight Surface Mount	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Linear Strip	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Other	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Outdoor (Various Types)	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Outdoor Pole-Mount	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Pendant	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Recessed Downlight	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Security	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Solid State Retrofit	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Torchiere	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Under Cabinet	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Wall Sconces	$75	Per Fixture	Same	$100
	Energy Star LED Fixture - Wrapped Lens	$75	Per Fixture	Same	$100
	LED REPLACEMENT LAMPS				

	LED mogul-screw base replacement for HID lamps and new external driver		Per Lamp		$100
	HID Replacement Lamp >250W	$150	Per Lamp	Same	
	HID Replacement Lamp ≤125W	$100	Per Lamp	Same	
	HID Replacement Lamp>125W -≤250W	$125	Per Lamp	Same	$100
	Vertically-Mounted Lamps	$10	Per Lamp	Same	$80
	Horizontally-Mounted Lamps	$10	Per Lamp	Same	$80
	2G11 Base Lamps	$10	Per Lamp	Same	$80
	LED Replacement Lamps 2' - 8'(Type A, B, C, AB)	$10	Per Lamp	Same	$80
	LED SIGN LIGHTING				
	Exterior/Dusk-to-Dawn, Interior and 24 hour application Covered Above by DLC Exterior Fixture types	$4	Per Watt Reduced	Same	$2 per watt reduced
	OTHER LIGHTING				
	Exit Signs	$25	Per Unit	Same	$23
	Street/Roadway and Area Lighting	$700	Per Fixture	Same	$500
	Horticultural Lighting(Controlled Environment Agriculture) Covered above by DLC Exterior fixture types	$44	Per Fixture	N/A	$600
	Lighting Controls				
	NETWORKED LIGHTING CONTROLS				
	Networked lighting control system controlling efficient luminaires	$0.60 per watt	Per Watt Controlled	Same	NLC System: $0.60 per watt controlled
	NLC- Tier 1, Interior, Mounting Height ≤ 12'				
	NLC- Tier 2, Interior, Mounting Height ≥ 12'				
	NLC- Tier 3, Exterior, All Mounting Height				

	Networked lighting control - fixture level control LLLC	with local or cloud server: $80/fixture with local or cloud server - lower wattage $50/fixture no server required: $60/fixture no server required - (lower wattage min controlled watts 20) $20/fixture	Per Fixture	Same	$60 per fixture
	DUAL DAYLIGHT/OCCUPANCY CONTROLS				
	Dual daylight & occupancy sensor (DOS) Product types covered above under LLLC or NLC	$100	Per Fixture	Same	$100
	DAYLIGHT CONTROLS				
	Daylight continuous dimming control	$100	Per Fixture	Same	$100
	Exterior Lighting Control – Fixture with Integrated Controls	$100	Per Fixture	Same	$100
	OCCUPANCY/VACANCY CONTROLS				
	Vacancy or Occupancy control (Switch/Wall/External Mount)	$100	Per Fixture	Same	$100
	Vacancy or Occupancy control (Integrated)	$100	Per Fixture	Same	$100
	Occupancy/Vacancy Sensor – Wall Mounted (Integrated)	$100	Per Fixture	Same	$100
	Occupancy/Vacancy Sensor – Remote Mounted (Integrated)	$100	Per Fixture	Same	$100
	Occupancy Dimming Control (Integrated)	$100	Per Fixture	Same	$100
	Occupancy Sensor for High bay – Remote Mounted (Integrated)	$100	Per Fixture	Same	$100
Energy Solutions for Businesses-	**HVAC**				
	UNITARY - AIR CONDITIONERS & HEAT PUMPS				
	< 5.4 tons (65,000 BTU/hr)				
	Air Conditioning (AC) only - Split or Packaged		Per Ton		$250

Prescriptive Measures	Tier 1 SEER 16				
	Single Package Vertical Air Conditioner, <=5.4 Tons, Tier 1	$300	Per Ton	Up to 30% incentive adder	
	Unitary HVAC Single Package System, <=5.4 Tons, Tier 1	$300	Per Ton	Up to 30% incentive adder	
	Unitary HVAC Split System, <=5.4 Tons, Tier 1	$300	Per Ton	Up to 30% incentive adder	
	Tier 2SEER 18				
	Single Package Vertical Air Conditioner, <=5.4 Tons, Tier 2	$300	Per Ton	Up to 30% incentive adder	
	Unitary HVAC Single Package System, <=5.4 Tons, Tier 2	$300	Per Ton	Up to 30% incentive adder	
	Unitary HVAC Split System, <=5.4 Tons, Tier 2	$300	Per Ton	Up to 30% incentive adder	
	Heat Pumps - Split or Packaged		Per Ton		
	Tier 1 SEER 16 EER 13HSPF 10				
	Air Source Heat Pump, Single Package, <=5.4 Tons, Tier 1	$175	Per Ton	Up to 30% incentive adder	
	Air Source Heat Pump, Split System, <=5.4 Tons, Tier 1	$175	Per Ton	Up to 30% incentive adder	
	Tier 2SEER 18 EER 13HSPF 10				
	Air Source Heat Pump, Single Package, <=5.4 Tons, Tier 2	$300	Per Ton	Up to 30% incentive adder	
	Air Source Heat Pump, Split System, <=5.4 Tons, Tier 2	$300	Per Ton	Up to 30% incentive adder	
	>= 5.4 tons (65,000 BTU/hr)				
	Air Conditioning (AC) only - Split or Packaged		Per Ton		
	Unitary HVAC Single and Split Package System, >5.4 Tons & <=20 Tons	$300	Per Ton	Up to 30% incentive adder	
	Heat Pumps - Air Source- Split or Packaged				
	Air Source Heat Pump, Single Package or Split System, >5.4 Tons & <=20 Tons	$300	Per Ton	Up to 30% incentive adder	
	SINGLE PACKAGE VERTICAL				
	Single Package Vertical Air Conditioner - ALL SIZES				

	Single Package Vertical Air Conditioner, >5.4 Tons & <=20 Tons	$300	Per Ton	Up to 30% incentive adder	$250
	Single Package Vertical Heat Pump - ALL SIZES				
	Single Package Vertical Heat Pump, <=11.25 Tons	$300	Per Ton	Up to 30% incentive adder	$250
	CENTRAL DX AIR CONDITIONERS -				
	Central DX Air Conditioner, >20 Tons	$200	Per Ton	Up to 30% incentive adder	$250
	WATER-COOLED & EVAPORATIVE COOLING AIR CONDITIONERS - <5.4 to <11.25 tons		**Per Ton**		
	Water Source Heat Pump, <=11.25 Tons, Tier 1 -5% above baseline	$300	Per Ton	Up to 30% incentive adder	$250
	Water Source Heat Pump, <=11.25 Tons, Tier 2 -12% above baseline	$300	Per Ton	Up to 30% incentive adder	$250
	WATER-COOLED & EVAPORATIVE COOLING AIR CONDITIONERS - >11.25 to ≤63.3	$300	Per Ton	Up to 30% incentive adder	$250
	GEOTHERMAL HEAT PUMPS -				
	Geothermal Heat Pumps – (Ground Source/Ground Water Source)		Per Ton		
	Ground Source Heat Pump, <=11.25 Tons, Tier 1 -5% above baseline	$500	Per Ton	Up to 30% incentive adder	$500
	Ground Source Heat Pump, <=11.25 Tons, Tier 2 -12% above baseline	$500	Per Ton	Up to 30% incentive adder	$500
	Ground Water Source Heat Pump, <=11.25 Tons, Tier 1 -5% above baseline	$500	Per Ton	Up to 30% incentive adder	$500
	Ground Water Source Heat Pump, <=11.25 Tons, Tier 2 -12% above baseline	$500	Per Ton	Up to 30% incentive adder	$500
	DUCTLESS, MINI SPLIT AIR CONDITIONERS OR HEAT PUMPS - ALL SIZES	$250	Per Ton	Up to 30% incentive adder	$150
	PACKAGED TERMINAL AIR CONDITIONERS OR HEAT PUMPS				
	PTAC, All sizes	$175	Per Ton	Up to 30% incentive adder	$125
	PTHP, All sizes	$300	Per Ton	Up to 30% incentive adder	$125
	OTHER HVAC EQUIPMENT				

	Smart Thermostat 3	$150	Per Unit	Up to 30% incentive adder	$125
	Occupancy Controlled Thermostat - Electric	$125		Up to 30% incentive adder	$125
	Dual Enthalpy Economizer Controls			Up to 30% incentive adder	
	< 5 tons Dual Enthalpy Economizer	$350	Per Unit	Up to 30% incentive adder	$250
	> 5 tons Single measure for DNV	$350		Up to 30% incentive adder	$250
	Chillers - Path A Constant Speed				
	Air-Cooled Chiller, Constant Speed <= 1000 tons	$85 per ton or Custom	Per Ton	Up to 30% incentive adder	Custom
	Water-Cooled Chiller, Screw Chiller - Positive Displacement, Constant Speed <= 600 tons	$185 per ton or Custom	Per Ton	Up to 30% incentive adder	Custom
	Water -Cooled Chiller, Centrifugal, Constant Speed <= 1000 tons	$85 per ton or Custom	Per Ton	Up to 30% incentive adder	Custom
	All Constant Speed Chillers => 1000 tons	Custom	Custom	Up to 30% incentive adder	Custom
	Performance Incentive: For each 0.1 EER point above or for each 0.01 kW below minimum efficiency Full Load or Integrated Part Load Value (IPLV).	$10 per ton or Custom	Per Ton	Up to 30% incentive adder	N/A
	Chillers - Path B Variable Speed (VFD)				
	Air-Cooled Chiller, VFD Variable Speed <= 1000 tons	$200 per ton or Custom	Per Ton	Up to 30% incentive adder	Custom
	Water-Cooled Chiller, Screw Chiller - Positive Displacement, VFD Variable Speed <= 600 tons	$450 per ton or Custom	Per Ton	Up to 30% incentive adder	Custom
	Water -Cooled Chiller, Centrifugal, VFD Variable Speed <=1000 tons	$20 per ton or Custom	Per Ton	Up to 30% incentive adder	Custom
	All Variable Speed Chillers => 1000 tons	Custom	Custom	Up to 30% incentive adder	Custom
	Performance Incentive: For each 0.1 EER point above or for each 0.01 kW below minimum efficiency Full Load or Integrated Part Load Value (IPLV).	$10 per ton or Custom	Per Ton	Up to 30% incentive Adder	N/A
Energy Solutions for Busine	**Refrigeration**				
	Anti-Fog Film	$15	Per Sq. Ft.	Same	$15
	Anti-Sweat Heat Control	$75	Per Door	Same	$50

sses-Prescriptive Measures	Anti-Sweat Heater Control/ Door Heater Control for Cooler/Medium Temp door	$75	Per Door	Same	$50
	Anti-Sweat Heater Control/ Door Heater control for Freezer/Low Temp door	$75	Per Door	Same	$50
	ECM Evaporator Fan Motor,<1 hp		Per Unit	Same	$150
	Reach-in Cooler/Freezer Electronically Commutated Motor Evaporator Fan Motor control	$150	Per Unit	Same	$150
	Reach-in Cooler/Freezer Permanent Split Capacitor Motor Evaporator Fan Motor control	$150	Per Unit	Same	$150
	Reach-in Cooler/Freezer Shaded Pole Motor Evaporator Fan Motor control	$150	Per Unit	Same	$150
	Walk-in Cooler/Freezer Electronically Commutated Motor Evaporator Fan Motor control	$150	Per Unit	Same	$150
	Walk-in Cooler/Freezer Shaded Pole Motor Evaporator Fan Motor control	$150	Per Unit	Same	$150
	Walk-in Cooler/Freezer Permanent Split Capacitor Motor Evaporator Fan Motor control	$150	Per Unit	Same	$150
	Evaporator/Compressor Controller	$1,000	Per Cooler	Same	$1,000
	Evaporative Fan Controls	$200	Per Control	Same	$100
	Floating-head Pressure Controls	$200	Per Control	Same	$150
	Variable Speed Refrigeration Compressor	$2,000	Per Unit	Same	$2,000
	Evaporator Fan Controller on Existing Shaded-Pole Motor DNV Coveted above in ECM category	$200	Per Unit	Same	$100
	Night Cover -Low temp(-32°F to 0°F)	$8	Per Linear Ft	Same	$500 Per Case
	Night Cover - High Temp case temperature (32°F to 55°F)	$8	Per Linear Ft	Same	$500 Per Case
	Night Cover - Medium Temp, case temperature (0°F to 32°F)	$8	Per Linear Ft	Same	$500 Per Case
	Night Covers - Open Reach-In Coolers	$8	Per Linear Ft	Same	$500 Per Case
	Reach-In Door Closer		Per Unit	Same	$75
	Automatic Door Closer - Cooler	$150	Per Unit	Same	$75
	Automatic Door Closer - Freezer	$150	Per Unit	Same	$75

	Refrigeration Display Case Doors on Open Display Case	$50 per linear ft $600 per case	Per Ln Ft. Per Case	Same	$600 per case
	Gaskets	$7	Per Ln Ft.	Same	$4
	Door Gasket - Cooler Reach-In/ Walk-in	$7	Per Ln Ft.	Same	$4
	Door Gasket - Freezer Reach-in/ Walk-in	$7	Per Ln Ft.	Same	$4
	Strip Curtains for Walk-In Coolers and Freezers	$12	Per Sq. Ft.	Same	$5
	VFD- Variable Frequency Drives				
	Horse Power				
	< 100 hp DNV has binned our VFD measures by the type load controlled per the TRM, not the HP of the motor	<= 10 HP- $1000 per unit <= 50 HP - $2500 per unit <= 100 HP - $5000 per unit	Per Unit	Same	$250
	≥100 to ≤200 DNV has binned our VFD measures by the type load controlled per the TRM, not the HP of the motor	$50	Per HP	Same	$50
	ECM Motors				
	EC Motors =<1 HP	$150	Per unit	Same	$150
	2 HP EC Motors - HVAC Blower Fan	$500	Per unit	Same	$175
	3-5 HP EC Motors - Hydronic Pumps	$500	Per unit	Same	$250
	6-10 HP	$500	Per unit	Same	$500
	11+ HP	$750	Per unit	Same	$750
	Commercial Kitchen Equipment				
	COMMERCIAL DISHWASHERS		Per Unit		$1,500
	Under Counter		Per Unit		
	Commercial Dishwasher - Under Counter LT Electric	$300	Per Unit	Same	
	Commercial Dishwasher - Under Counter HT Electric	$2,500	Per Unit	Same	
	Door Type		Per Unit		

	Commercial Dishwasher - Door Type LT Electric	$850	Per Unit	Same	
	Commercial Dishwasher - Door Type HT Electric	$1,250	Per Unit	Same	
	Single Tank Conveyor		Per Unit		
	Commercial Dishwasher - Single Tank Conveyor LT Electric	$400	Per Unit	Same	
	Commercial Dishwasher - Single Tank Conveyor HT Electric	$2,500	Per Unit	Same	
	Multi Tank Conveyor		Per Unit		
	Commercial Dishwasher - Multiple Tank Conveyor LT Electric	$1,000	Per Unit	Same	
	Commercial Dishwasher - Multiple Tank Conveyor HT Electric	$1,500	Per Unit	Same	
Energy Solutions for Businesses-Prescriptive Measures	**COOKING EQUIPMENT**				
	Fat Fryers		Per Unit	Same	
	Vat Fryer - Electric (Standard)	$600	Per Unit	Same	$250
	Vat Fryer - Electric (Large Vat)	$1,800	Per Unit	Same	
	Griddles - Electric	$600	Per Unit	Same	$300
	Insulated Holding Cabinets		Per Unit		$400
	Hot Food Holding Cabinets - Full Size	$600	Per Unit	Same	
	Hot Food Holding Cabinets - 3/4 Size	$600	Per Unit	Same	
	Hot Food Holding Cabinets - 1/2 Size	$300	Per Unit	Same	
	Commercial Rack Oven	$3,000	Per oven	Same	
	COMBINATION and CONVECTION OVENS				
	Convection Ovens	$600	Per Unit	Same	$400
	Commercial Combination Oven (Electric)	$1,700	Per Oven/Steamer	Same	$1,200
	Commercial Conveyor Oven	$1,700	Per Unit	Same	N/A
	STEAM COOKERS				
	Commercial Steam Cooker	$150	Per Pan	Same	$150
	OTHER FOOD SERVICE				

	Energy Star Beverage Vending Machine	$150	Per Unit	Same	$75
	Pre-Rinse Spray Valve- Electric Water Heating	$75	Per Unit	Same	$75
	ICE MACHINES				
	Tier 1	$200	Per Unit	Same	$200
	Tier 2	$300	Per Unit	Same	$300
	SOLID DOOR REACH-IN REFRIGERATORS		**Per Unit**		
	ENERGY STAR® Commercial Solid Door Refrigerator - < 15 ft3	$400	Per Unit	Same	$225
	ENERGY STAR® Commercial Solid Door Refrigerator - > 15 to < 30 ft3	$400	Per Unit	Same	
	ENERGY STAR® Commercial Solid Door Refrigerator - > 30 to < 50 ft3	$400	Per Unit	Same	
	ENERGY STAR® Commercial Solid Door Refrigerator - ≥ 50 ft3	$400	Per Unit	Same	
	SOLID DOOR REACH-IN FREEZERS		**Per Unit**		
	ENERGY STAR® Commercial Solid Door Freezer - < 15 ft3	$400	Per Unit	Same	$500
	ENERGY STAR® Commercial Solid Door Freezer - > 15 to < 30 ft3	$400	Per Unit	Same	
	ENERGY STAR® Commercial Solid Door Freezer - > 30 to < 50 ft3	$400	Per Unit	Same	
	ENERGY STAR® Commercial Solid Door Freezer - ≥ 50 ft3	$400	Per Unit	Same	
	GLASS DOOR REACH-IN REFRIGERATORS		**Per Unit**		
	ENERGY STAR® Commercial Glass Door Refrigerator - < 15 ft3	$300	Per Unit	Same	$150
	ENERGY STAR® Commercial Glass Door Refrigerator - > 15 to < 30 ft3	$300	Per Unit	Same	
	ENERGY STAR® Commercial Glass Door Refrigerator - > 30 to < 50 ft3	$300	Per Unit	Same	
	ENERGY STAR® Commercial Glass Door Refrigerator - ≥ 50 ft3	$300	Per Unit	Same	
	GLASS DOOR REACH-IN Freezers			-	-
	ENERGY STAR® Commercial Glass Door Freezer - < 15 ft3	$300	Per Unit	Same	$300
	ENERGY STAR® Commercial Glass Door Freezer - > 15 to < 30 ft3	$300	Per Unit	Same	

	ENERGY STAR® Commercial Glass Door Freezer - > 30 ft3	$300	Per Unit	Same	
Energy Solutions for Businesses-Prescriptive Measures	**COMMERCIAL APPLIANCES**				
	CLOTHES WASHER			Same	
	CEE Tier 1	$200	Per Unit	Same	$100
	CEE Tier 2	$350	Per Unit	Same	$200
	WATER HEATING				
	Heat Pump Water Heater - C&I	$1,500	Per Unit	Up to 30% incentive adder	$1,500
	Heat Pump Electric Storage Water Heater, size > 55 gallons	$1,500	Per Unit	Up to 30% incentive adder	$1,500
	Heat Pump Electric Storage Water Heater, size ≤ 55 gallons	$1,500	Per Unit	Up to 30% incentive adder	$1,500
	PLUG LOAD CONTROLS				
	Personal Occupancy Sensor	$100	Per Unit	Up to 30% incentive adder	$20
	Hotel Room HVAC Controls	$300	Per Unit	Up to 30% incentive adder	$90
	Hotel Room HVAC/Receptacle Control	$300	Per Unit	Up to 30% incentive adder	$20
	Smart Power Strip - Tier 1	$25	Per Unit	Up to 30% incentive adder	$20
	Smart Power Strip - Tier 2	$50	Per Unit	Up to 30% incentive adder	
	Vending Machine Controls				
	Non-Refrigerated	$150	Per Unit	Up to 30% incentive adder	$75
	Refrigerated	$300	Per Unit	Up to 30% incentive adder	$125
	Glass Front Refrigerated Cooler Control	$150	Per Unit	Up to 30% incentive adder	$125
	OFFICE EQUIPMENT				
	Monitors - C&I	$25	Per Unit	Same	$25
	Computers - C&I	$25	Per Unit	Same	$25
	Uninterruptible Power Supply (UPS)	$75	Per kVA	Same	$40

Imaging - C&I	$25	Per Unit	Same	$25
Small Network PC Controller	$35	Per PC Controlled	Same	$25
AGRICULTURE				
Auto Milker Takeoff	$100	Per Unit	Same	$90
Dairy Scroll Compressor	$1,000	Per Unit	Same	$1,000
HE Ventilation Fans	$100	Per Unit	Same	$215
High Speed Fan 24'' – 35''		Per Unit	Same	$215
High Speed Fan 36'' - 47''		Per Unit	Same	$215
High Speed Fan 48'' - 71''		Per Unit	Same	$215
Heat Reclaimers	$2,500	Per Unit	Same	$1,000
High Volume Low Speed Fans (Destratification)	$1,200	Per Unit	Same	$25 per ft of fan blade
High Volume Low Speed Fan (HVLS) 16'			Same	$25 per ft of fan blade
High Volume Low Speed Fan (HVLS) 18'			Same	$25 per ft of fan blade
High Volume Low Speed Fan (HVLS) 20'			Same	$25 per ft of fan blade
High Volume Low Speed Fan (HVLS) 22'			Same	$25 per ft of fan blade
High Volume Low Speed Fan (HVLS) 24'			Same	$25 per ft of fan blade
Livestock Waterer	$500	Per Unit	Same	$60
Dairy Vac Pump VSD Controls	$2,000	Per Unit	Same	$1,000
Dairy Refrigeration Tune-Up	$150	Per Unit	Same	$200
Engine Block Heater Timer	$25	Per Unit	Same	$25
RESIDENTIAL APPLIANCES in C&I BUILDING- Non Commercial Duty				
Clothes Washer Tier 1	See Residential Incentives	Per Unit	Same	See Residential Incentives
Clothes Washer Tier 2	See Residential Incentives	Per Unit	Same	See Residential Incentives

Clothes Dryer -Tier 1	See Residential Incentives	Per Unit	Same	See Residential Incentives
Clothes Dryer - Tier 2	See Residential Incentives	Per Unit	Same	See Residential Incentives
Refrigerators	See Residential Incentives	Per Unit	Up to 30% incentive adder	See Residential Incentives
Freezer	See Residential Incentives	Per Unit	Up to 30% incentive adder	See Residential Incentives
Dehumidifier	See Residential Incentives	Per Unit	Up to 30% incentive adder	See Residential Incentives
Room Air Conditioner	See Residential Incentives	Per Unit	Up to 30% incentive adder	See Residential Incentives
Water Cooler	See Residential Incentives	Per Unit	Up to 30% incentive adder	See Residential Incentives

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]**
Custom	**CUSTOM PROJECTS**				
	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	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.

		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 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 Solutions for Businesses-Prescriptive Measures	**ENERGY MANAGEMENT**				
	Bldg. - Tune-Up	**Consensus EDC/GDC Incentive Strategy**	**% of Project Cost**		**Existing Incentive Up to Value**
	Lighting Optimization	$0.32 / kWh	Up to 80%		Up to 70% of Project Cost w project cap of $75,000
	HVAC Optimization	$0.64 / kWh	Up to 80%		
	Chiller Optimization	$0.64 / kWh	Up to 80%		
	Refrigeration Optimization	$0.64 / kWh	Up to 80%		
	Electric Other Optimization	$0.64 / kWh	Up to 80%		
	Gas Optimization	$10.00 / therm	Up to 80%		
	Boiler Tuneup	$10.00 / therm	Up to 80%		
	Furnace Tuneup	$600	Up to 80%		
	HVAC Tune-Up				
	Single Compressor Units	$350	Up to 80%		$175 per unit
	Multiple Compressor Units	$500			$250 per unit
	PTAC,PTHP, Mini Splits	$300			$75 per unit
	Electric/Other	$0.64 / kWh	Up to 80%		N/A
	Boiler Tuneup	$10.00 / Therm	Up to 80%		$1 per MBH
	Furnace Tuneup	$600	Up to 80%		$250
	Dairy Refrigeration Tune-Up	$150	Up to 80%		$200 per unit
	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 Commissioining				
	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 include additional measures that are supported by established protocols or evaluation results in the industry to ensure we include a broad range of energy savings measures to maximize energy savings for customers and avoid market disruption.

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, ACE 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 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	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 energy efficiency measures determined by the SEMP, the customer will be paid an incentive that is commensurate with the

		incentive that is commensurate with the applicable Commercial & Industrial Program offering that the measures are attributed.	applicable Commercial & Industrial Program offering that the measures are attributed.

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 exceed 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 5-year buydown. For Engineered Solutions Tier 2 – Increase the incentive up to 80% of project costs.	N/A- No special treatment

Notes

1 - The Utilities reserve the right to include additional measures that are supported by established protocols or evaluation results in the industry to ensure we include a broad range of energy savings measures to maximize energy savings for customers and avoid market disruption.

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

6h.i. ACE-specific Incentives

Program	Building Decarbonization Measure	Rebate Up To Value ($)	Unit Basis	Multifamily LMI Rebate Up To Value ($)	Existing Up To Value ($)
Residential Building Decarbonization	Induction Cooktop Stove (fuel switching only)	$400, or $600 for MI	Per unit	Same	N/A
	Electric Clothes Dryer	$400	Per unit	Same	N/A
	Heat Pump Water Heater	$2,000	Per unit	Same	N/A
	Cold-climate Air Source Heat Pump (full load)	-Lesser of $10,000 or 50% of project cost - For MI, lesser of $12,000 or 60% of project cost -Two adders, $2000 for re-ducting, if Manual D calls for it, and $2000 for decommissioning. -Contractor bonus: $250 for full-load $750 for full load and conversion from delivered fuel system	Per house	Same	N/A
	Full Displacement-Additional ASHP Units	Full BD incentive available for first unit, additional Heat Pump units are eligible for relevant EE product incentives of $2,000 per ccASHP or $750 per standard ASHP. If utilized in a dual-fuel heated zone, must be part of the integrated controls.	Per unit	Same	N/A

	Cold-climate ASHP - Dual Fuel	-Lesser of $5,000 or 50% of project cost - For MI, lesser of $6,000 or 60% of project cost	Per house	Same	N/A
	ASHP - Dual Fuel	-Lesser of $2,000 or 30% of project cost - For MI, Lesser of $4,000 or 40% of project cost	Per house	Same	N/A
	Geothermal Heat Pump	- Lesser of $4,000 per 10,000 BTUh, or 50% of project cost for gas customers	Per 10,000 BTUh	See LMI Supplemental Incentive	N/A
		- Lesser of $5,000 per 10,000 BTUh, or 50% of project cost for delivered fuels customers			
		- For MI, extra $1,000 per 10,000 BTUh or extra 10% of project cost			
	Air-to-Water Heat Pumps	$1000	Per unit	See LMI Supplemental Incentive	N/A
	Ductless Mini-Split Heat Pump	$2000	Per unit	See LMI Supplemental Incentive	N/A
	PTHP - CEE Tier 2- Multi Family	$5000	Per unit	See LMI Supplemental Incentive	N/A
	Residential BD Make-Ready	- For non-Income Qualified customers, up to $300 per circuit for each BD measures	Per unit	Same	N/A

		requiring a 240V circuit purchased under the program, up to four circuits. - Or, $300 for a panel upgrade, only when installing BD measures. Financing up to $2000			
	LMI BD Make-Ready	$6,500 - For Income Qualified customers, full cost up to $4000 to upgrade a panel, only when installing BD measures. The upgrade shall include enough capacity to support the needed upgrades and a Level 2 EV charger (where possible). $2500 for wiring, only when installing BD measures	Per unit	Same	N/A
	Lawn Equipment	$75 for mower, $50 for others	Per unit	Same	N/A
	Supplemental incentive for LMI customers (limited to qualifying HVAC equipment)	$10,000	per qualifying unit	N/A	N/A
Commercial Building Decarbonization	Air Source Heat Pump	$3,500	Per ton	Same	N/A
	Geothermal Heat Pump	$5,400	Per ton	Same	N/A
	Heat Pump Water Heater	$3,500	Per unit	Same	N/A
	C&I BD Make-Ready	$7,500	Per unit	Same	N/A

Demand Response Program	Description	Rebate Up To Value ($)	Unit Basis	Existing Up To Value ($) Rebate Strategy
Residential Direct Load Control (BYOD)	Annual	$50	annual	N/A
Residential Flexible Load Management	Enrollment	$50	one time	N/A
	Annual	$50	annual	N/A
Commercial Direct Load Control (BYOD)	Annual	$100	annual	N/A
Commercial Flexible Load Management	Enrollment	$100	one time	N/A
	Annual	$100	annual	N/A

ACE
Weighted Average Cost of Capital
BRC Docket No. ER23020091, Order dated 11/17/2023 (Stipulation of Settlement)

Capital Structure	Weight	Rate	Weighted Rate	After Tax	Before Tax	Penalty/ Incentive	Weighted Rate	After Tax	Before Tax
Long Term Debt	49.80%	3.73%	1.86%	1.34%	1.86%		1.86%	1.34%	1.86%
Preferred Stock	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%
Common Stock	50.20%	9.60%	4.82%	4.82%	6.70%	0.00%	4.82%	4.82%	6.70%
Total	100.00%		6.68%	6.16%	8.56%		6.68%	6.16%	8.56%

Penalties/incentives are not applicable until Program Year 5 results; however, in order to ascertain that the model is flexible, this column is built into the model for future occurence.

RIDER RGGI

Regional Greenhouse Gas Initiative Recovery Charge

A. Applicability

This Rider is applicable to Rate Schedules RS, MGS Secondary, MGS-SEVC, MGS Primary, AGS Secondary, AGS Primary, TGS, DDC, SPL and CSL. Amounts billed to customers shall include a charge to reflect regional greenhouse gas initiative program costs. Except where indicated otherwise, Rider "RGGI" will be determined annually based on projections of program costs (including an adjustment for variances between budgeted and actual prior year expenditures) and forecasts of kilowatt hour sales. The charge (in dollars per kilowatt hour) will be computed by dividing the total annual amount to be recovered for by forecasted retail sales (in kilowatt hours).

RGGI Programs

Solar Renewable Energy Certificate (SREC) ($/kWh) ($0.000134)
This charge component is intended to recover net costs associated with the Solar Renewable Energy Certificate Program.

Solar Renewable Energy Certificate (SREC II) ($/kWh) $0.000000
This charge component is intended to recover net costs associated with the Solar Renewable Energy Certificate II Program.

Transition Renewable Energy Certificate (TREC) ($/kWh) $0.002701
This charge component is intended to recover net costs associated with the Solar Transition Incentive Program.

Energy Efficiency Surcharge ($/kWh)

EE Triennium 1	$0.001424
EE Triennium 2	$0.001431
Total	$0.002855

This charge component is intended to recover the costs associated with the Energy Efficiency Program.

Successor Solar Incentive Program (SuSI) ($/kWh) $0.000216
This charge component is intended to recover the costs associated with the Successor Solar Incentive Program.

Community Solar Energy Program (CSEP) ($/kWh) $0.000022
This charge component is intended to recover the net costs associated with the Community Solar Energy Program.

Total Rider RGGI Surcharge ($/kWh) $0.005660

ATLANTIC CITY ELECTRIC COMPANY
BPU NJ No. 11 Electric Service - Section IV **Revised Sheet Replaces** **Revised Sheet No. 7**

RATE SCHEDULE RS – TOU
(Residential Service Time of Use)

AVAILABILITY

Available to Residential customers, as well as separately metered electric vehicle (EV) charging for Residential customers. The EV charging station must be intended for the sole use of the Residential customer.

The following customers are excluded from being enrolled to this rate for operational reasons: customers without activated Advanced Metering Infrastructure (AMI) capable of registering interval usage.

	SUMMER	**WINTER**
	June Through September	October Through May
Delivery Service Charges:		
Customer Charge ($/Month)	$6.75	$6.75
Distribution Rates ($/kWH)		
On-Peak kWh	$0.xxxxxx	$0.xxxxxx
Off-Peak kWh	$0.xxxxxxx	$0.xxxxxx
Non-Utility Generation Charge (NGC) ($/kWH)	See Rider NGC	
Societal Benefits Charge ($/kWh)		
Clean Energy Program	See Rider SBC	
Universal Service Fund	See Rider SBC	
Lifeline	See Rider SBC	
Uncollectible Accounts	See Rider SBC	
Transition Bond Charge (TBC) ($/kWh)	See Rider SEC	
Market Transition Charge Tax (MTC-Tax) ($/kWh)	See Rider SEC	
Transmission Service Charges ($/kWh):		
Transmission Rate	$0.035429	$0.035429
Reliability Must Run Transmission Surcharge	$0.000000	
Transmission Enhancement Charge ($/kWh)	See Rider BGS	
Basic Generation Service Charge ($/kWh)	See Rider BGS	
Regional Greenhouse Gas Initiative Recovery Charge ($/kWh)	See Rider RGGI	
Infrastructure Investment Program Charge	See Rider IIP	
Conservation Incentive Program Recovery Charge	See Rider CIP	

RATE SCHEDULE RS – TOU (Continued)
(Residential Service Time of Use)

CORPORATE BUSINESS TAX (CBT)
Charges under this rate schedule include a component for Corporate Business Taxes as set forth in Rider CBT.

NEW JERSEY SALES AND USE TAX (SUT)

Charges under this rate schedule include a component for New Jersey Sales and Use Tax as set forth in Rider SUT.

TERM OF CONTRACT
None, except that reasonable notice of service discontinuance will be required.

TERMS AND CONDITIONS
See Section II inclusive for Terms and Conditions of Service.

"In accordance with P.L. 1997, c. 162, the charges in this Rate Schedule includes provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein."

PRICE TO COMPARE
A customer may choose to receive electric supply from a third-party supplier as defined in Section 11 of the Standard Terms and Conditions of this Tariff. A customer who receives electric supply from a third-party supplier will not be billed the Basic Generation Service Charges or the Transmission Service Charges. Customers eligible for BGS CIEP who receive supply from a third-party supplier will continue to be billed the CIEP Standby Fee**.**

ELECTRIC VEHICLE BASIC GENERATION SERVICE CUSTOMERS ONLY
Electric Vehicle Basic Generation Service (“BGS”) Customers Only: Based upon the following eligibility criteria, Atlantic City Electric Company (“ACE”) RS-TOU customers who receive their electric supply through BGS may elect to receive a net off-peak BGS energy credit exclusively for their electric vehicle usage. This option, upon ACE approval into the program, will be issued twice a year as an off-bill credit directly to the customer by check, after the entire usage has been billed at the RS rate.

A customer eligible for participation under this special provision must be an ACE Residential customer taking service under the RS-TOU rate schedule, install or utilize ACE approved smart charging equipment and network technology, and agree to share the Electric Vehicle Charging Data with ACE in a manner specified by ACE. In order for the customer to receive a credit, data must be available to ACE and the proper services must be in place to make this rate available. If data is not available for any reason, a customer may not receive a credit for the period that ACE does or did not have access to the required data.

The electric vehicle credit will be calculated by ACE’s program administration team twice a year using the electric vehicle usage off-peak minus the on-peak electric vehicle usage multiplied by $.02/kWh (ex. (off-peak kWh – on-peak kWh) *.02) for the corresponding billing period. If the customer’s on-peak usage is higher than off-peak usage for the billing period, no credit for the corresponding billing period will be provided. BGS on-peak hours are 8:00 A.M. to 8:00 P.M., Monday through Friday. All other hours are considered off-peak hours.

This solution will fall under the ACE EVsmart umbrella of programs.

BILLING MONTHS AND RATING PERIODS
• Summer (June 1 through September 30) On Peak hours will be between the hours of **XX** pm and **XX** pm, excluding weekends and holidays.

• Winter (October 1 through May 31) On Peak hours will be between the hours of **XX** am and **XX** am, excluding weekends and holidays.

Holidays include all holidays as designated by the Federal Government.

Issued by:

			Monthly						Annual					
					Res Bill Increase @643kWh		Cumulative	Bill Impact			Res Bill Increase @7,716kWh		Cumulative	Bill Impact
	Year	Rate	Current	Proposed	$	%	$	%	Current	Proposed	$	%	$	%
1	2025	0.001431	159.45	160.37	0.92	0.58%	0.92	0.58%	1,913.40	1,924.44	11.04	0.58%	11.04	0.58%
2	2026	0.004964	160.37	162.64	2.27	1.42%	3.19	2.00%	1,924.44	1,951.68	27.24	1.42%	38.28	2.00%
3	2027	0.007805	162.64	164.47	1.83	1.13%	5.02	3.15%	1,951.68	1,973.64	21.96	1.13%	60.24	3.15%
4	2028	0.006643	164.47	163.72	(0.75)	-0.46%	4.27	2.68%	1,973.64	1,964.64	(9.00)	-0.46%	51.24	2.68%
5	2029	0.006371	163.72	163.55	(0.17)	-0.10%	4.10	2.57%	1,964.64	1,962.60	(2.04)	-0.10%	49.20	2.57%
6	2030	0.006100	163.55	163.37	(0.18)	-0.11%	3.92	2.46%	1,962.60	1,960.44	(2.16)	-0.11%	47.04	2.46%
7	2031	0.005829	163.37	163.20	(0.17)	-0.10%	3.75	2.35%	1,960.44	1,958.40	(2.04)	-0.10%	45.00	2.35%
8	2032	0.005558	163.20	163.03	(0.17)	-0.10%	3.58	2.25%	1,958.40	1,956.36	(2.04)	-0.10%	42.96	2.25%
9	2033	0.005287	163.03	162.85	(0.18)	-0.11%	3.40	2.13%	1,956.36	1,954.20	(2.16)	-0.11%	40.80	2.13%
10	2034	0.005016	162.85	162.68	(0.17)	-0.10%	3.23	2.03%	1,954.20	1,952.16	(2.04)	-0.10%	38.76	2.03%
11	2035	0.004546	162.68	162.37	(0.31)	-0.19%	2.92	1.83%	1,952.16	1,948.44	(3.72)	-0.19%	35.04	1.83%
12	2036	0.002831	162.37	161.27	(1.10)	-0.68%	1.82	1.14%	1,948.44	1,935.24	(13.20)	-0.68%	21.84	1.14%
13	2037	0.000864	161.27	160.01	(1.26)	-0.78%	0.56	0.35%	1,935.24	1,920.12	(15.12)	-0.78%	6.72	0.35%
			2,112.97				40.68	1.96%	25,355.64				**$ 488.16**	1.96%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
8 WINTER MONTHS (October Through May)

Present Rates
vs.
Proposed Rates

Monthly Usage (kWh)	Present Delivery ($)	Present Supply+T ($)	Present Total ($)	New Delivery ($)	New Supply+T ($)	New Total ($)	Difference Delivery ($)	Difference Supply+T ($)	Total Difference ($)	(%)
0	$ 6.75	$ -	$ 6.75	$ 6.75	$ -	$ 6.75	$ -	$ -	$ -	0.00%
25	$ 9.22	$ 3.45	$ 12.67	$ 9.22	$ 3.48	$ 12.70	$ -	$ 0.03	$ 0.03	0.24%
50	$ 11.68	$ 6.90	$ 18.58	$ 11.68	$ 6.97	$ 18.65	$ -	$ 0.07	$ 0.07	0.38%
75	$ 14.15	$ 10.35	$ 24.50	$ 14.15	$ 10.45	$ 24.60	$ -	$ 0.10	$ 0.10	0.41%
100	$ 16.61	$ 13.79	$ 30.40	$ 16.61	$ 13.94	$ 30.55	$ -	$ 0.15	$ 0.15	0.49%
150	$ 21.55	$ 20.69	$ 42.24	$ 21.55	$ 20.90	$ 42.45	$ -	$ 0.21	$ 0.21	0.50%
200	$ 26.48	$ 27.59	$ 54.07	$ 26.48	$ 27.87	$ 54.35	$ -	$ 0.28	$ 0.28	0.52%
250	$ 31.41	$ 34.48	$ 65.89	$ 31.41	$ 34.84	$ 66.25	$ -	$ 0.36	$ 0.36	0.55%
300	$ 36.34	$ 41.38	$ 77.72	$ 36.34	$ 41.81	$ 78.15	$ -	$ 0.43	$ 0.43	0.55%
350	$ 41.28	$ 48.28	$ 89.56	$ 41.28	$ 48.78	$ 90.06	$ -	$ 0.50	$ 0.50	0.56%
400	$ 46.21	$ 55.17	$ 101.38	$ 46.21	$ 55.75	$ 101.96	$ -	$ 0.58	$ 0.58	0.57%
450	$ 51.14	$ 62.07	$ 113.21	$ 51.14	$ 62.71	$ 113.85	$ -	$ 0.64	$ 0.64	0.57%
500	$ 56.07	$ 68.97	$ 125.04	$ 56.07	$ 69.68	$ 125.75	$ -	$ 0.71	$ 0.71	0.57%
600	$ 65.94	$ 82.76	$ 148.70	$ 65.94	$ 83.62	$ 149.56	$ -	$ 0.86	$ 0.86	0.58%
643	**$ 70.18**	**$ 88.69**	**$ 158.87**	**$ 70.18**	**$ 89.61**	**$ 159.79**	**$ -**	**$ 0.92**	**$ 0.92**	**0.58%**
650	$ 70.87	$ 89.66	$ 160.53	$ 70.87	$ 90.59	$ 161.46	$ -	$ 0.93	$ 0.93	0.58%
700	$ 75.80	$ 96.55	$ 172.35	$ 75.80	$ 97.56	$ 173.36	$ -	$ 1.01	$ 1.01	0.59%
750	$ 80.73	$ 103.45	$ 184.18	$ 80.73	$ 104.52	$ 185.25	$ -	$ 1.07	$ 1.07	0.58%
800	$ 85.66	$ 110.35	$ 196.01	$ 85.66	$ 111.49	$ 197.15	$ -	$ 1.14	$ 1.14	0.58%
900	$ 95.53	$ 124.14	$ 219.67	$ 95.53	$ 125.43	$ 220.96	$ -	$ 1.29	$ 1.29	0.59%
1000	$ 105.39	$ 137.93	$ 243.32	$ 105.39	$ 139.37	$ 244.76	$ -	$ 1.44	$ 1.44	0.59%
1200	$ 125.12	$ 165.52	$ 290.64	$ 125.12	$ 167.24	$ 292.36	$ -	$ 1.72	$ 1.72	0.59%
1500	$ 154.71	$ 206.90	$ 361.61	$ 154.71	$ 209.05	$ 363.76	$ -	$ 2.15	$ 2.15	0.59%
2000	$ 204.04	$ 275.87	$ 479.91	$ 204.04	$ 278.73	$ 482.77	$ -	$ 2.86	$ 2.86	0.60%
2500	$ 253.36	$ 344.84	$ 598.20	$ 253.36	$ 348.41	$ 601.77	$ -	$ 3.57	$ 3.57	0.60%
3000	$ 302.68	$ 413.80	$ 716.48	$ 302.68	$ 418.10	$ 720.78	$ -	$ 4.30	$ 4.30	0.60%
3500	$ 352.00	$ 482.77	$ 834.77	$ 352.00	$ 487.78	$ 839.78	$ -	$ 5.01	$ 5.01	0.60%
4000	$ 401.32	$ 551.74	$ 953.06	$ 401.32	$ 557.46	$ 958.78	$ -	$ 5.72	$ 5.72	0.60%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
4 SUMMER MONTHS (June Through September)

Present Rates
vs.
Proposed Rates

Monthly Usage (kWh)	Present Delivery ($)	Present Supply+T ($)	Present Total ($)	New Delivery ($)	New Supply+T ($)	New Total ($)	Difference Delivery ($)	Difference Supply+T ($)	Total Difference ($)	Total Difference (%)
0	$ 6.75	$ -	$ 6.75	$ 6.75	$ -	$ 6.75	$ -	$ -	$ -	0.00%
25	$ 9.40	$ 3.33	$ 12.73	$ 9.40	$ 3.37	$ 12.77	$ -	$ 0.04	$ 0.04	0.31%
50	$ 12.05	$ 6.66	$ 18.71	$ 12.05	$ 6.74	$ 18.79	$ -	$ 0.08	$ 0.08	0.43%
75	$ 14.70	$ 10.00	$ 24.70	$ 14.70	$ 10.10	$ 24.80	$ -	$ 0.10	$ 0.10	0.40%
100	$ 17.35	$ 13.33	$ 30.68	$ 17.35	$ 13.47	$ 30.82	$ -	$ 0.14	$ 0.14	0.46%
150	$ 22.65	$ 19.99	$ 42.64	$ 22.65	$ 20.21	$ 42.86	$ -	$ 0.22	$ 0.22	0.52%
200	$ 27.96	$ 26.65	$ 54.61	$ 27.96	$ 26.94	$ 54.90	$ -	$ 0.29	$ 0.29	0.53%
250	$ 33.26	$ 33.32	$ 66.58	$ 33.26	$ 33.68	$ 66.94	$ -	$ 0.36	$ 0.36	0.54%
300	$ 38.56	$ 39.98	$ 78.54	$ 38.56	$ 40.41	$ 78.97	$ -	$ 0.43	$ 0.43	0.55%
350	$ 43.86	$ 46.65	$ 90.51	$ 43.86	$ 47.15	$ 91.01	$ -	$ 0.50	$ 0.50	0.55%
400	$ 49.16	$ 53.31	$ 102.47	$ 49.16	$ 53.88	$ 103.04	$ -	$ 0.57	$ 0.57	0.56%
450	$ 54.46	$ 59.97	$ 114.43	$ 54.46	$ 60.62	$ 115.08	$ -	$ 0.65	$ 0.65	0.57%
500	$ 59.76	$ 66.64	$ 126.40	$ 59.76	$ 67.35	$ 127.11	$ -	$ 0.71	$ 0.71	0.56%
600	$ 70.37	$ 79.96	$ 150.33	$ 70.37	$ 80.82	$ 151.19	$ -	$ 0.86	$ 0.86	0.57%
643	**$ 74.93**	**$ 85.69**	**$ 160.62**	**$ 74.93**	**$ 86.61**	**$ 161.54**	**$ -**	**$ 0.92**	**$ 0.92**	**0.57%**
650	$ 75.67	$ 86.63	$ 162.30	$ 75.67	$ 87.56	$ 163.23	$ -	$ 0.93	$ 0.93	0.57%
700	$ 80.97	$ 93.29	$ 174.26	$ 80.97	$ 94.29	$ 175.26	$ -	$ 1.00	$ 1.00	0.57%
750	$ 86.27	$ 99.95	$ 186.22	$ 86.27	$ 101.03	$ 187.30	$ -	$ 1.08	$ 1.08	0.58%
800	$ 92.29	$ 107.10	$ 199.39	$ 92.29	$ 108.24	$ 200.53	$ -	$ 1.14	$ 1.14	0.57%
900	$ 104.32	$ 121.38	$ 225.70	$ 104.32	$ 122.67	$ 226.99	$ -	$ 1.29	$ 1.29	0.57%
1000	$ 116.35	$ 135.67	$ 252.02	$ 116.35	$ 137.10	$ 253.45	$ -	$ 1.43	$ 1.43	0.57%
1200	$ 140.41	$ 164.24	$ 304.65	$ 140.41	$ 165.96	$ 306.37	$ -	$ 1.72	$ 1.72	0.56%
1500	$ 176.51	$ 207.10	$ 383.61	$ 176.51	$ 209.24	$ 385.75	$ -	$ 2.14	$ 2.14	0.56%
2000	$ 236.67	$ 278.53	$ 515.20	$ 236.67	$ 281.39	$ 518.06	$ -	$ 2.86	$ 2.86	0.56%
2500	$ 296.83	$ 349.96	$ 646.79	$ 296.83	$ 353.53	$ 650.36	$ -	$ 3.57	$ 3.57	0.55%
3000	$ 356.99	$ 421.39	$ 778.38	$ 356.99	$ 425.68	$ 782.67	$ -	$ 4.29	$ 4.29	0.55%
3500	$ 417.15	$ 492.82	$ 909.97	$ 417.15	$ 497.82	$ 914.97	$ -	$ 5.00	$ 5.00	0.55%
4000	$ 477.31	$ 564.25	$ 1,041.56	$ 477.31	$ 569.97	$ 1,047.28	$ -	$ 5.72	$ 5.72	0.55%

ATLANTIC CITY ELECTRIC COMPANY
RESIDENTIAL SERVICE ("RS")
Annual Average

Present Rates
vs.
Proposed Rates

Monthly Usage (kWh)	Present Delivery ($)	Present Supply+T ($)	Present Total ($)	New Delivery ($)	New Supply+T ($)	New Total ($)	Difference Delivery ($)	Difference Supply+T ($)	Total Difference ($)	Total Difference (%)
0	$ 6.75	$ -	$ 6.75	$ 6.75	$ -	$ 6.75	$ -	$ -	$ -	0.00%
25	$ 9.28	$ 3.41	$ 12.69	$ 9.28	$ 3.44	$ 12.72	$ -	$ 0.03	$ 0.03	0.24%
50	$ 11.80	$ 6.82	$ 18.62	$ 11.80	$ 6.89	$ 18.69	$ -	$ 0.07	$ 0.07	0.38%
75	$ 14.33	$ 10.23	$ 24.56	$ 14.33	$ 10.33	$ 24.66	$ -	$ 0.10	$ 0.10	0.41%
100	$ 16.86	$ 13.64	$ 30.50	$ 16.86	$ 13.78	$ 30.64	$ -	$ 0.14	$ 0.14	0.46%
150	$ 21.92	$ 20.46	$ 42.38	$ 21.92	$ 20.67	$ 42.59	$ -	$ 0.21	$ 0.21	0.50%
200	$ 26.97	$ 27.28	$ 54.25	$ 26.97	$ 27.56	$ 54.53	$ -	$ 0.28	$ 0.28	0.52%
250	$ 32.03	$ 34.09	$ 66.12	$ 32.03	$ 34.45	$ 66.48	$ -	$ 0.36	$ 0.36	0.54%
300	$ 37.08	$ 40.91	$ 77.99	$ 37.08	$ 41.34	$ 78.42	$ -	$ 0.43	$ 0.43	0.55%
350	$ 42.14	$ 47.74	$ 89.88	$ 42.14	$ 48.24	$ 90.38	$ -	$ 0.50	$ 0.50	0.56%
400	$ 47.19	$ 54.55	$ 101.74	$ 47.19	$ 55.13	$ 102.32	$ -	$ 0.58	$ 0.58	0.57%
450	$ 52.25	$ 61.37	$ 113.62	$ 52.25	$ 62.01	$ 114.26	$ -	$ 0.64	$ 0.64	0.56%
500	$ 57.30	$ 68.19	$ 125.49	$ 57.30	$ 68.90	$ 126.20	$ -	$ 0.71	$ 0.71	0.57%
600	$ 67.42	$ 81.83	$ 149.25	$ 67.42	$ 82.69	$ 150.11	$ -	$ 0.86	$ 0.86	0.58%
643	**$ 71.76**	**$ 87.69**	**$ 159.45**	**$ 71.76**	**$ 88.61**	**$ 160.37**	**$ -**	**$ 0.92**	**$ 0.92**	**0.58%**
650	$ 72.47	$ 88.65	$ 161.12	$ 72.47	$ 89.58	$ 162.05	$ -	$ 0.93	$ 0.93	0.58%
700	$ 77.52	$ 95.46	$ 172.98	$ 77.52	$ 96.47	$ 173.99	$ -	$ 1.01	$ 1.01	0.58%
750	$ 82.58	$ 102.28	$ 184.86	$ 82.58	$ 103.36	$ 185.94	$ -	$ 1.08	$ 1.08	0.58%
800	$ 87.87	$ 109.27	$ 197.14	$ 87.87	$ 110.41	$ 198.28	$ -	$ 1.14	$ 1.14	0.58%
900	$ 98.46	$ 123.22	$ 221.68	$ 98.46	$ 124.51	$ 222.97	$ -	$ 1.29	$ 1.29	0.58%
1000	$ 109.04	$ 137.18	$ 246.22	$ 109.04	$ 138.61	$ 247.65	$ -	$ 1.43	$ 1.43	0.58%
1200	$ 130.22	$ 165.09	$ 295.31	$ 130.22	$ 166.81	$ 297.03	$ -	$ 1.72	$ 1.72	0.58%
1500	$ 161.98	$ 206.97	$ 368.95	$ 161.98	$ 209.11	$ 371.09	$ -	$ 2.14	$ 2.14	0.58%
2000	$ 214.92	$ 276.76	$ 491.68	$ 214.92	$ 279.62	$ 494.54	$ -	$ 2.86	$ 2.86	0.58%
2500	$ 267.85	$ 346.55	$ 614.40	$ 267.85	$ 350.12	$ 617.97	$ -	$ 3.57	$ 3.57	0.58%
3000	$ 320.78	$ 416.33	$ 737.11	$ 320.78	$ 420.63	$ 741.41	$ -	$ 4.30	$ 4.30	0.58%
3500	$ 373.72	$ 486.12	$ 859.84	$ 373.72	$ 491.13	$ 864.85	$ -	$ 5.01	$ 5.01	0.58%
4000	$ 426.65	$ 555.91	$ 982.56	$ 426.65	$ 561.63	$ 988.28	$ -	$ 5.72	$ 5.72	0.58%

Atlantic City Electric Company
Energy Efficiency Program
Minimum Filing Requirements for True-Up Filings

1. Information on direct FTE employment impacts, including a breakdown by each of the Board approved ACE 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 ACE.

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 ACE EE Programs, including a breakdown by sub-program, if applicable.

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

14. Estimated emissions reductions for each of the Board-approved ACE 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 electricity from other energy sources (e.g., converting from gas to electric furnaces), the Company shall identify: i. the number of such projects; ii. an estimate of the increase in annual electric demand and energy associated with these projects; and iii. the avoided use of natural gas 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.

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

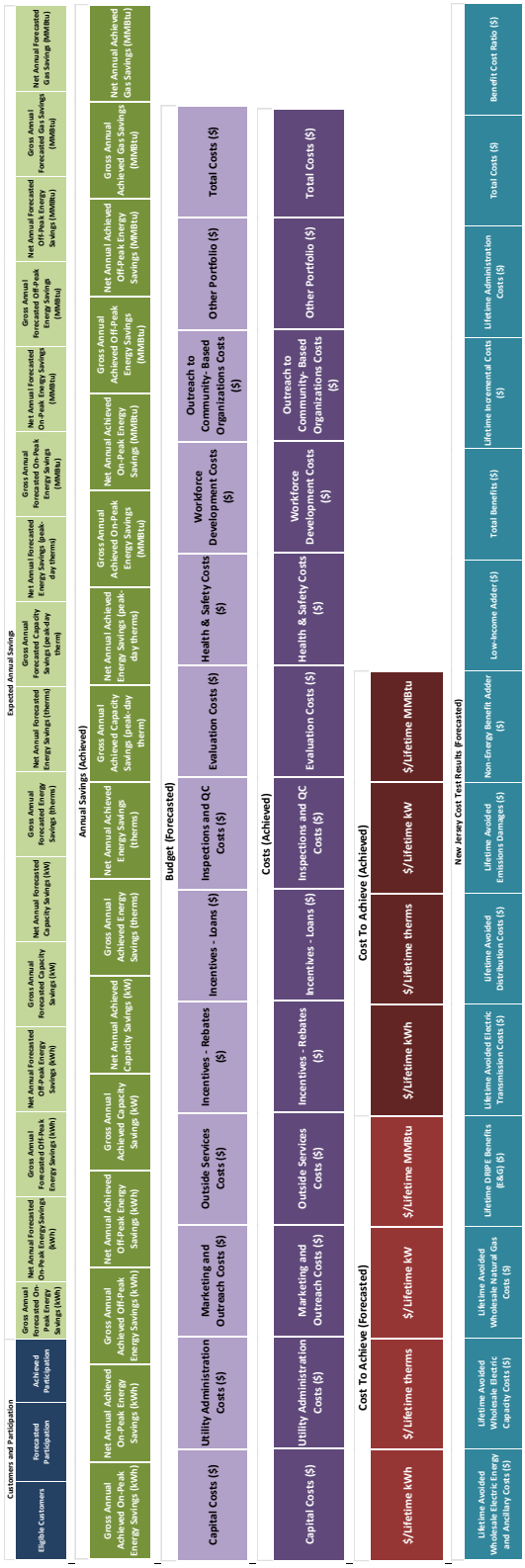
- NJCT Benefit Cost Ratio ($)
- Cost To Achieve (Achieved) $/Lifetime therms
- Cost To Achieve (Achieved) $/Lifetime kWh
- Cost To Achieve (Forecasted) $/Lifetime therms
- Cost To Achieve (Forecasted) $/Lifetime kWh
- Total Costs ($) Achieved
- Total Costs ($) Forecasted
- Net Annual Achieved Gas Savings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



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

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
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)

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

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

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

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

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

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

Program Year 9	Capital Cost	Utility Administration	Marketing and Outreach	Outside Services	Incentives -Rebates (NEW)	Incentives - Loans (NEW)	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

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

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

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

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 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				

	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 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

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: Addition al Utility-Led Initiative

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 (CO2e MT)										Site and source lifetime emissions by fuel (CO2e 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 (CO2e MT)										Site and source lifetime emissions by fuel (CO2e 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)				CO2 emissions impacts by fuel (CO2e MT)					Net CO2 emissions impacts across fuels (CO2e MT)		Levelized cost per metric ton of CO2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO2e 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				
															Overall	LMI Customers*	Overall	LMI Customers*		Number of Installations	Geographic Location of Installations

Net annual peak demand savings by fuel (electricity and natural gas only) (peak MW or peak-day therm)				CO2 emissions impacts by fuel (CO2e MT)					Net CO2 emissions impacts across fuels (CO2e MT)		Levelized cost per metric ton of CO2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO2e 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				
															Overall	LMI Customers*	Overall	LMI Customers*		Number of Installations	Geographic Location of Installations

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

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
NEW	NEW			NEW	NEW	NEW	NEW	NEW	NEW				NEW

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-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
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 Ad	%		
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.