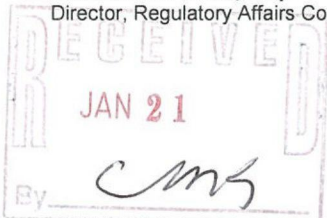




Deborah M. Franco, Esq.
Director, Regulatory Affairs Counsel



VIA UNITED PARCEL SERVICE & ELECTRONIC MAIL

Aida Camacho-Welch, Secretary New
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FORWARD
CASE MANAGEMENT

2020 JAN 22 P 2:35

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

**Re: In the Matter of the Petition of Elizabethtown Gas Company to Revise its Energy Efficiency Program Rider Rate
BPU Docket No. GR19070872**

**In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas For Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism
BPU Docket No. GO18070682**

Dear Secretary Camacho-Welch:

By this submission, Elizabethtown Gas Company (“Elizabethtown” or “the Company”) requests approval from the New Jersey Board of Public Utilities (“Board”) to (a) extend the term of its currently effective Energy Efficiency (“EE”) Programs on the same terms and conditions approved by the Board’s February 27, 2019 Order (“February 27 Order”) in BPU Docket No. GO18070682; and (b) continue to recover EE Program costs through the Energy Efficiency Program (“EEP”) Rider rate reflected in Rider G of the Company’s tariff. The Company is not requesting any substantive EE Program design or EEP Rider rate changes.

Case mgmt
A. Wellesband, Esq.

Background

On Elizabethtown’s currently effective EE Programs, as approved by the February 27 Order and made available to Elizabethtown’s customers pursuant to *N.J.S.A.* 48:3-98.1, consist of the

following:

- (i) Residential Gas Heating Ventilation and Air Conditioning ("HVAC") and Gas Hot Water Heater Incentive Program
- (ii) Residential Home Energy Assessment Program;
- (iii) Residential Home Energy Report (Opower) Program;
- (iv) Residential Home Weatherization for Income Qualified Customers Program; and
- (v) Commercial Steam Trap Survey and Repair Program.

These programs were approved by the February 27 Order as a result of a June 29, 2018 Petition ("June 2018 Petition") that contained information responsive to the minimum filing requirements ("MFRs") contained in the Board's May 8, 2008 Order in BPU Docket No. EO08030164, as updated in the Board's October 20, 2017 Order in BPU Docket No. QO17091004. The MFR information reflected in the June 2018 Petition is incorporated herein by reference.

Each of these individual EE Programs are described further in Appendix A-1. In general, the Company's EE Programs include a range of energy efficiency rebates and incentives, as well as various customer education and outreach initiatives, including an on-line customer home energy audit, designed to encourage customers to conserve energy and provide information to them on how to lower their gas bills. The February 27 Order authorized Elizabethtown to offer these programs through February 29, 2020 at a total budget of approximately \$3 million.

In accordance with the February 27 Order, Elizabethtown conducted an assessment of its energy efficiency programs which was provided to Board Staff and the Division of Rate Counsel by letter dated August 22, 2019 ("Assessment"). The Assessment, attached as Appendix B, demonstrates that Elizabethtown's EE programs are cost beneficial, reduce the energy consumption

of Elizabethtown's customers while providing them with bill savings and produce environmental benefits associated with emissions reductions.

In furtherance of the Clean Energy Act of 2018 ("Clean Energy Act"), which, *inter alia*, requires each utility to implement energy efficiency measures to reduce energy consumption, including a reduction of natural gas usage by 0.75% (*see N.J.S.A. 48:3-87.9*), there is an ongoing Board stakeholder process to establish procedures related to implementing energy efficiency targets. As part of that process, it is anticipated that the Board will issue an order in the Spring of 2020 directing utilities to file new energy efficiency programs in the Summer of 2020 with a proposed effective date in the Summer of 2021. Given these unique and limited circumstances, it is reasonable to extend Elizabethtown's energy efficiency programs for the bridge period described below on the same terms and conditions approved by the February 27 Order.

Discussion

By this filing, Elizabethtown proposes to extend its EE programs without any substantive program design changes in the following manner:

1. **4-Month Extension**: Elizabethtown will continue to offer its currently effective EE Programs on the same terms and conditions approved by the February 27 Order for the 4-month period March 1, 2020 through June 30, 2020. The EE Programs that will be in effect during this period are described in detail in Appendix A-2.¹ To finance the program expenditures and operation and maintenance ("O&M") expenses associated with the EE Programs during this period, Elizabethtown proposes to utilize the \$573,776 that is projected to be remaining in Elizabethtown's existing budget as of February 29, 2020 as reflected in Appendix C. The residual funds are related largely to employee vacancies in 2019 which resulted in lower

¹ Appendix A-2 shows non-substantive changes in redline form.

labor costs and program expenditures. Those positions have now been filled; and

2. **18-Month Extension** Elizabethtown will continue to offer its currently effective EE Programs on the same terms and conditions approved by the February 27 Order for the 18-month period July 1, 2020 through December 31, 2021 subject to an implementation of a new Elizabethtown EE Program with an earlier effective date. The EE Programs that will be in effect during this period are described in detail in Appendix A-3.² To finance the program expenditures and O&M expenses associated with the EE Programs during this period, Elizabethtown will require and requests additional funding of approximately \$4.2 million as reflected in Appendix C. Consistent with the budget approved by the February 27 Order, O&M expenses are 14% of total program costs.

Consistent with the Assessment and customer interest, to optimize EE Program participation, the Company has reallocated program expenditures to permit an increase in the Residential Home Weatherization Program and, in addition to offering programmable thermostats, Elizabethtown will offer smart thermostats to participants in the Residential Home Energy Assessment Program and the Residential Home Weatherization Program. The Company will also continue to review its marketing efforts and make appropriate changes as needed to optimize program participation as permitted by the budget. Finally, while the Company will not offer the Residential Home Energy Report (Opower) Program during the 4-month extension period insofar as the contract with Opower, the program implementor, expires in February 2020, as required by the February 27 Order, the Company will issue a request for proposals to engage a new implementation vendor for the 18-month extension period (subject to an implementation of a new Elizabethtown EE Program with an earlier effective date).

² Appendix A-3 shows non-substantive changes in redline form.

As reflected on Appendix C, Elizabethtown's 4-month proposal works within the current budget and the 18-month extension proposal is consistent with the Company's previously approved and currently effective program. It is also consistent with Board precedent of allowing a continuation of existing utility EE programs using both residual and additional funds to allow such programs to continue without interruption. *See, e.g., In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs and Approval of Associated Cost Recovery Mechanism*, BPU Docket No. GO18070682, *et al.*, "Order Approving Stipulation to Extend 180 Day Period and Additional Funding" (October 29, 2018) (approving Stipulation allowing Elizabethtown to fund its energy efficiency programs using both residual funds from original approved budget and additional funds during the applicable extension period).

Further still, Elizabethtown's EE Programs facilitate the State's energy efficiency goals by helping to ensure that customers reduce their natural gas costs, playing an important role in reducing greenhouse gas emissions, preserving environmental resources and stimulating economic growth. Given the continued need of the State to meet the energy efficiency consistent with the Clean Energy Act, conservation and greenhouse gas emission reduction goals established for New Jersey, it is reasonable and prudent at this time to continue the Company's currently effective EE Programs and to recover the costs associated with these Programs through the Company's existing EEP rider rate reflected in Rider G, the mechanism already in place for recovery of these costs. As indicated above, the Company is not seeking to change its currently effective EEP Rider rate. Costs incurred in connection with the EE Program will be reflected in future EEP Rider rate reconciliation proceedings.

Elizabethtown's proposal to continue its currently effective program on the same terms and conditions as approved in the February 27 Order will allow the Company to bridge the gap until

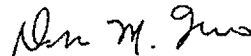
such time that the Company is able to implement a new program in 2021 in accordance with the framework expected to result at the conclusion of the Clean Energy Act-related process. In this way, Elizabethtown will be able to continue its EE Programs without interruption in furtherance of the energy reduction consumption targets set by the Clean Energy Act.

Conclusion

For the reasons discussed above, Elizabethtown respectfully requests that the Board issue an order (a) extending the term of the Company's currently effective EE programs for the four- and eighteen-month periods (subject to a new Elizabethtown EE Program with an earlier effective date) at the funding levels proposed herein; and (b) allowing the Company to continue to recover EE Program costs through the EEP Rider rate reflected in Rider G of the Company's tariff.

Please direct any inquiries to the undersigned. Thank you for your consideration.

Respectfully yours,



Deborah M. Franco

cc: Service List (electronic only)

**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY TO REVISE ITS
ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR19070872**

**IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. d/b/a
ELIZABETHTOWN GAS FOR AUTHORITY TO EXTEND THE TERM OF ENERGY EFFICIENCY
PROGRAMS AND APPROVAL OF ASSOCIATED COST RECOVERY MECHANISM
BPU DOCKET NO. GO18070682**

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**IN THE MATTER OF THE PETITION OF ELIZABETHTOWN GAS COMPANY TO REVISE ITS
ENERGY EFFICIENCY PROGRAM RIDER RATE
BPU DOCKET NO. GR19070872**

**IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. d/b/a
ELIZABETHTOWN GAS FOR AUTHORITY TO EXTEND THE TERM OF ENERGY EFFICIENCY
PROGRAMS AND APPROVAL OF ASSOCIATED COST RECOVERY MECHANISM
BPU DOCKET NO. GO18070682**

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Description Of Program

This program is designed to enhance the existing New Jersey Clean Energy Program ("NJCEP") gas HVAC and hot water heater incentive program by supplementing the incentives offered through NJCEP. The name of the NJCEP program being supplemented by this Elizabethtown Gas (ETG) Program is WARMADVANTAGE.

This program will be available to all residential customers as follows:

Customers will be informed via outreach opportunities of the energy efficiency offerings of both the NJCEP and ETG's Energy Efficiency Program.

If qualifying energy efficient units are installed, ETG will supplement the NJCEP incentive in an amount of \$250 for furnaces and \$300 for boilers.

ETG will supplement the NJCEP incentive in an amount \$100 for the installation of an energy efficient gas hot water heater, including power vented gas hot water heaters.

In no event will the combined NJCEP and ETG incentive exceed the total project cost.

The specific types of equipment that qualify for incentives under this program are as follows:

Gas Fired Boilers

Gas Boiler – Hydronic AFUE* 90% or greater

Gas Furnaces

Tier 1 – AFUE 95% or greater

Tier 2 - AFUE 97% or greater

Gas Water Heater

Tankless (On Demand) - <2 gallons & UEF** 0.81 or greater

Tank (Power Vented) - ≤55 gallons & UEF 0.64 or greater or >55 gallons, TE*** 0.90, & UEF 0.85 or greater

*AFUE (Annual Fuel Utilization Efficiency)

** UEF (Uniform energy Factor)

***TE (Thermal Efficiency)

Only those customers who are in good standing and subject to the EEP surcharge are eligible to participate in and receive the incentives associated with this program.

The equipment standards reflected in this program description track the standards utilized by the NJCEP. To the extent these standards are modified by NJCEP during the term of the program, the ETG own equipment standard will reflect such modified standard.

Summary of Program Description As Set Forth Above:

		ETG Rebates	NJCEP Rebates	Total
HEATING	Furnace – Tier 1 AFUE* 95% or greater	\$250	\$250	\$500
	Furnace – Tier 2 AFUE 97% or greater	\$250	\$500	\$750
	Boiler – Hydronic* AFUE 90% or greater <i>Steam boilers do not qualify for rebate</i>	\$300	\$300	\$600
WATER HEATING	Tankless, On-Demand Water Heater <2 gallons & UEF 0.81 or greater	\$100	\$300	\$400
	Tank, Power-Vented Water Heater <55 gallons & UEF 0.64 or greater or >55 gallons, TE 90% and UEF 0.85	\$100	\$300	\$400
COMBINATIONS	Furnace and Water Heater Combination			
	(1) Qualifying Tier 1 gas furnace and a qualifying water heater above	\$350	\$700	\$1,050
	(2) Qualifying Tier 2 gas furnace and a qualifying water heater above	\$350	\$950	\$1,300
	Boiler and Water Heater Combination Qualifying boiler (above) and water heater (above): • Integrated water heating and boiler unit (Combi Boilers) • OR a qualifying water heater • OR an indirect water heater attached to a qualifying boiler	\$400	\$700	\$1,100

The NJCEP incentives may be subject to change. The change in an NJCEP incentive level will not impact the ETG incentive level, but may impact the total grant amount.

Participation in this program does not require an energy audit, however ETG will refer participants to the ETG Home Energy Assessment Program and the NJCEP Home Performance with Energy Star (“HPwES”) Program in order to promote a whole house solutions approach to energy efficiency.

Delivery Method
HVAC installation and/or quality control work will be performed by trained heating, home improvement and energy service providers, including contractors providing such services for the NJCEP.
Estimated 12-Month Program Participants (March 1, 2019 - February 29, 2020)
Total: 934 Participants
732 Participants (HVAC – Furnaces & Boilers); 61 Participants monthly 134 Participants (Hot Water Heaters); 11 Participants monthly 48 Participants (Boiler / Water Heater combination) / 4 Participants monthly 12 Participants (Furnace / Water Heater combination) / 1 Participant monthly
12-Month Budget Information (March 1, 2019 - February 29, 2020)
Total Rebates: \$232,200 Averages \$19,350 per month
Total Rebate Processing: \$9,600 Averages \$800 per month

Description Of Program

Elizabethtown Gas' Home Energy Assessment Program is available to all residential customers and provides a 75-minute home energy assessment, free direct installs and educational information on additional energy-saving measures and activities. A customized report provides details on specific measures the homeowner can take to reduce their energy consumption.

The incentive for this program covers 100% of the assessment fee. Although not mandatory, customers who apply for a rebate will be referred to this program as an additional incentive.

Direct install energy-saving measures and activities include:

- A programmable thermostat, if needed
- Programmable thermostat education
- Faucet aerators
- Low-flow shower heads
- Water heater pipe wrap insulation
- Water heater setback

The assessor will evaluate the age and functionality of gas-related energy consuming equipment within the home and provide the customer with details on eligible rebates the customer can receive as a result of upgrading their furnace, boiler or hot water heater. Rebates are available from both the NJ Clean Energy Warm Advantage Program and the Elizabethtown Gas Energy Efficiency Program.

If needed, assessors will recommend additional measures for air sealing & insulation. An implementation contractor will qualify a select group of contractors to provide air sealing and insulation services. These contractors will receive an incentive for which they can provide customers an "instant rebate" on the work completed. The on-site assessor will provide a listing of the pre-qualified contractors to the customer. Incentives include:

- | | |
|--------------------------------|---------------------------------------|
| • Air Sealing | \$250-\$500/unit (average \$375/unit) |
| • Duct Sealing | \$350/unit |
| • Attic Insulation r5-r38 | \$600/unit |
| • Attic Insulation r11-r38 | \$520/unit |
| • Attic Insulation r19-r38 | \$400/unit |
| • Attic Knee Wall Insulation | \$250/unit |
| • Wall Insulation | \$200/unit |
| • Basement Sidewall Insulation | \$300/unit |

Assessors will focus on the "whole-house" approach and if needed, will recommend the NJCEP's Home Performance with Energy Star (HPwES) Program.

Elizabethtown Gas will contract with a third-party vendor to schedule and perform the home energy assessment and to provide quality assurance.

The Elizabethtown Gas Home Energy Assessment is similar to Home Energy Assessments offered by New Jersey Natural Gas and South Jersey Gas. Key differences include:

- Not required to receive a rebate – Required by NJNG and SJG

Delivery Method

Home Energy Assessment services is provided by a third party vendor . This includes the scheduling of appointments, answering of inquiries and quality control. Air sealing/insulation work will be performed by trained heating, home improvement and energy service providers, including contractors providing such services for the NJCEP.

Estimated 12-Month Program Participants (March 1, 2019 – February 29, 2020)

768 Home Energy Assessment Participants, 64 per month

60 Air Sealing & Insulation Participants, approximately 5 per month (8% take rate)

12 Month Budget Information (March 1, 2019 – February 29, 2020)

\$300,000 Total, \$25,000 per month

\$144,000 Total, \$12,000 per month – Administrative Fees

Description Of Program

Elizabethtown Gas (ETG) will continue to partner with Opower to provide a sample population of residential customers with Home Energy Reports that compare energy usage against that of their neighbors. Home Energy Reports are user-friendly, detailed, and informative messages that provide personalized information to customers about their natural gas energy usage and easy to follow tips that can quickly lead to energy savings.

The Home Energy Reports have proven results in influencing customer behavior in the reduction of energy usage and is a means to leverage customer participation in other energy efficiency programs offered by both ETG and the New Jersey Clean Energy Program (NJCEP).

At the heart of each report is a "neighborhood comparison," or "similar homes comparison" that compares a participating customer's energy use against that of similar sized homes, so they have meaningful context regarding their overall energy consumption. Comparisons are based on "like" homes and excludes homes that are not the same home type, use a different heating fuel, are not of similar size, are far away, or are vacant. Customers in the test group are provided with an energy efficiency score that are calculated through comparisons with these neighbors.

Energy consumption is monitored for the test group and is measured against a control group who do not receive the reports. The use of test and control groups has proven to be highly successful Worldwide in reducing customer energy usage cost-effectively through information, education, and also by increasing customer participation rates in other energy efficiency programs.

Participating customers are also given the opportunity to access a customized portal, where they can change profile information, track energy usage, access tips, find out more about our other energy-saving programs and learn about rebate opportunities.

All ETG customers have access to and are encouraged to use an Online Home Energy Audit. This interactive tool provides suggestions on how to improve home energy usage. Customers enter specifics about their home and the tool determines where the most energy is being utilized and recommends ways to reduce energy usage.

In addition, a dedicated call center phone number is provided on all reports, where participating customers can ask questions or opt out of the program at any time.

Proven results for the Opower offering show a 60% participation lift in energy efficiency programs and a 5% increase in customer satisfaction. In addition, New Jersey Natural Gas has utilized Opower's offerings since 2010 claiming successful results and South Jersey Gas contracted and successfully launched this offering with Opower in 2015.

The Home Energy Reports and Online Energy Audits recommend other programs to customers such as the ETG Home Energy Assessment & the NJCEP Home Performance with Energy Star Program.

Delivery Method
The Home Energy Reports and Online Energy Audits are provided by Opower, a subsidiary of Oracle Corporation, who specializes in behavioral science, data analytics, and user-centric software design, currently working with over 100 utilities in nine countries.
Estimated 12-Month Program Participants (March 1, 2019 - February 29, 2020)
155,000 Residential Customers in the Test Group / 25,000 Residential Customers in the Control Group
12-Month Budget Information (March 1, 2019 - February 29, 2020)
Program Costs: Total: \$720,000

Description Of Program

This program is an energy saving and energy education program provided to those residential customers with low to moderate income who based on household salary, would not qualify for the Comfort Partners Program.

Participants of this program are provided with a free Home Energy Assessment, as well as energy-saving information and weatherization measures. A certified contractor will evaluate the home's energy efficiency, provide comprehensive, personalized information that educates customers on their energy usage and educates them on how to save energy daily. If eligible, participants will also be provided with systems testing and the direct install of energy-saving measures (determined on a home-specific basis) which can include:

- A programmable thermostat
- Programmable thermostat education
- Faucet aerators
- Low-flow shower heads
- Pipe wrap insulation
- Air sealing
- Insulation
- Efficient lighting products
- Heating/cooling equipment maintenance
- Combustion safety testing

The maximum approved measures cannot exceed \$6000 per home. Note: Any exceptions made to rectify safety issues *must* have pre-approval from ETG Program Manager prior to completing the project.

Comfort Partners qualification level includes household income that falls in the category of up to 225% over the Federal Income Poverty Level. The Home Weatherization for Income Qualified Customers Program qualification includes household income that falls in the category of over 225% up to 400% over the Federal Income Poverty Level for the number of family members living in the home. *The Federal Income Poverty Level is updated yearly and Elizabethtown Gas will update our requirements to show the appropriate income levels with each update.*

Gas appliance replacement will be provided to those participants who fail safety testing who are unable to purchase the replacement product on their own. Approved energy efficient gas appliances only will be installed by qualified technicians provided by the program.

Other requirements:

- The customer must also use the home as a primary residence and be the ratepayer of record with the electric or gas utility.
- The customer must be a Residential-Heat Elizabethtown Gas customer to qualify for this program.

Delivery Method
Elizabethtown Gas will continue to partner with Green Life Energy Solutions to provide this offering to the Company's qualified residential customers. Green Life Energy Solutions will provide all in-home work and will also provide income verification, set-up appointments, perform quality control and provide a phone contact for customer inquiries.
Estimated 12-Month Program Participants (March 1, 2019 - February 29, 2020)
Total: 132 (approximately 11 per month)
12-Month Budget Information (March 1, 2019 - February 29, 2020)
Total Program Costs: \$792,000, approximately \$66,000 per month
Total Program Administrative Fees: \$79,200 approximately \$6,600 per month

Description Of Program

Steam trap surveys test and document the operational status of steam traps, utilizing both ultrasound and temperature differentials. In steam systems that have not been maintained for 3 to 5 years, between 15% to 30% of the installed steam traps fail allowing live steam to escape into the condensate return system. In systems with a regularly scheduled maintenance program, leaking traps should account for less than 5% of the trap population.

Customers eligible for this program are hospitals, municipalities and schools. The goal of this program is to incorporate a steam trap survey and repair cycle to hospitals, municipalities, and/or schools, who use steam heating to ensure their leaking traps account for no more than 5% of the total number of traps.

A goal of the program is to change the equipment maintenance behavior of hospitals, municipalities and schools such that these customers will continue with regular maintenance regardless of whether incentives are available. Toward this end, customers will be advised that regular maintenance has the potential to provide consistent therm savings and significantly reduce the cost for future repairs.

A surveyor completes a comprehensive survey and provides a detailed steam-trap functionality report. Survey documentation details a complete trap inventory including location, type, and application engineering. Survey reports also include a full economic analysis (return on investment) and recommendations for overall system improvements. The goal of the report is to document recommendations aimed at improving energy/emission losses, steam generation and distribution, engineering practices/correct applications, health and safety, and heat recovery/return of condensate.

Qualified and fully experienced technicians will repair or replace the defective steam traps as required. Since this program places the building on a yearly maintenance cycle, each year the building is surveyed and repairs are made. It is the cycle of maintenance that reduces the number of failing steam traps yearly, ensuring that ultimately no more than 5% of the trap population fail.

Incentives include:

- Incentive covers 50% of survey costs
- Incentive pays \$0.50 per therm saved up to 50% of the total service, repair or replacement costs

Incentives are paid for both the survey costs and total project costs once the project is completed.

Note: The project must include a natural gas boiler system to be eligible for this project.

Elizabethtown Gas will work with the company performing the surveys to identify and recommend hospitals, municipalities, schools, etc.

Delivery Method
Steam trap surveys and the repair/replacement of steam traps will be performed by American Plant Maintenance, Inc., an independent steam trap and repair company . Their independent gives them the ability to perform unbiased surveys and recommend the optimum solution for our customers regardless of the manufacturer.
Estimated 12-Month Program Participants (March 1, 2019 - February 29, 2020)
Anticipating approximately 2 hospitals, 3 municipality buildings and 3 schools.
12-Month Budget Information (March 1, 2019 - February 29, 2020)
Total: \$100,000

Elizabethtown Gas Residential HVAC and Gas Hot Water Heater Incentive Program

Description Of Program

This program is designed to enhance the existing New Jersey Clean Energy Program (“NJCEP”) gas HVAC and hot water heater incentive program by supplementing the incentives offered through NJCEP. The name of the NJCEP program being supplemented by this Elizabethtown Gas (ETG) Program is WARMADVANTAGE.

This program will be available to all residential customers as follows:

Customers will be informed via outreach opportunities of the energy efficiency offerings of both the NJCEP and ETG’s Energy Efficiency Program.

If qualifying energy efficient units are installed, ETG will supplement the NJCEP incentive in an amount of \$250 for [gas](#) furnaces and \$300 for [gas](#) boilers.

ETG will supplement the NJCEP incentive in an amount \$100 ~~or \$200~~ for the installation of an energy efficient gas hot water heater, including power vented gas hot water heaters.

In no event will the combined NJCEP and ETG incentive exceed the total project cost.

The specific types of equipment that qualify for incentives under this program are as follows:

Gas Fired Boilers

Gas Boiler – Hydronic AFUE* 90% or greater

Gas Furnaces

Tier 1 – AFUE 95% or greater

Tier 2 - AFUE 97% or greater

Gas Water Heater

Tankless (On Demand) - <2 gallons & UEF** ~~0.81~~ 0.90 or greater

Tank (Power Vented) - ≤55 gallons & UEF 0.64 or greater or >55 gallons, ~~TE*** 0.90, &~~ UEF 0.85 or greater

*AFUE (Annual Fuel Utilization Efficiency)

** UEF (Uniform energy Factor)

***TE (Thermal Efficiency)

Only those customers who are in good standing and subject to the EEP surcharge are eligible to participate in and receive the incentives associated with this program.

The equipment standards reflected in this program description track the standards utilized by the NJCEP. To the extent these standards are modified by NJCEP during the term of the program, the ETG ~~own~~ equipment standard will reflect such modified standard.

Elizabethtown Gas Residential HVAC and Gas Hot Water Heater Rebate Incentive Program

Summary of Program Description As Set Forth Above:

		ETG Rebates	NJCEP Rebates	Total
HEATING	Furnace – Tier 1 AFUE* 95% or greater	\$250	\$250	\$500
	Furnace – Tier 2 AFUE 97% or greater	\$250	\$500	\$750
	Boiler – Hydronic* AFUE 90% or greater <i>Steam boilers do not qualify for rebate</i>	\$300	\$300	\$600
WATER HEATING	Tankless, On-Demand Water Heater <u><2 gallons & Uniform Energy Factor –UEF 0.90, or greater</u> <2 gallons & UEF 0.81 or greater	\$100	\$300	\$400
	Tank, Power-Vented Water Heater ≤55 gallons & UEF 0.64, or greater or OR >55 gallons, TE 90% and UEF 0.85, or greater	\$100	\$300	\$400
COMBINATIONS	Furnace and Water Heater Combination (1) Qualifying Tier 1 gas furnace and a qualifying water heater above	\$350	\$700	\$1,050
	(2) Qualifying Tier 2 gas furnace and a qualifying water heater above	\$350	\$950	\$1,300
	Boiler and Water Heater Combination • <u>Combi-boiler – an integrated unit, combining a water heater and a qualifying boiler (above)</u> • <u>Qualifying stand-alone water heater (above) AND a qualifying boiler (above)</u> • <u>Indirect water heater attached to a qualifying boiler (above)</u> Qualifying boiler (above) and water heater (above): • Integrated water heating and boiler unit (Combi Boilers) • OR a qualifying water heater • OR an indirect water heater attached to a qualifying boiler	\$400	\$700	\$1,100

The NJCEP incentives may be subject to change. The change in an NJCEP incentive level will not impact the ETG incentive level, but may impact the total grant amount.

Participation in this program does not require an energy audit, however ETG will refer participants to the ETG Home Energy Assessment Program and the NJCEP Home Performance with Energy Star (“HPwES”) Program in order to promote a whole house solutions approach to energy efficiency.

Elizabethtown Gas Residential HVAC and Gas Hot Water Heater Rebate Incentive Program

Delivery Method
HVAC installation and/or quality control work will be performed by trained heating, home improvement and energy service providers, including contractors providing such services for the NJCEP.
<u>Estimated 4-Month Program Participants (March 1, 2020 – June 30, 2020)</u> Estimated 12-Month Program Participants (March 1, 2019 – February 29, 2020)
Total: 934 Participants
732 <u>141</u> Participants (HVAC – Furnaces & Boilers); 0 <u>35</u> Participants monthly 134 <u>34</u> Participants (Hot Water Heaters); 0 <u>8</u> Participants monthly 48 <u>21</u> Participants (Boiler / Water Heater combination) / 0 <u>5</u> Participants monthly 12 <u>8</u> Participants (Furnace / Water Heater combination) / 1 <u>2</u> Participant monthly
<u>4-Month Budget Information (March 1, 2020 – June 30, 2020)</u> 12-Month Budget Information (March 1, 2019 – February 29, 2020)
Total Rebates: \$ 72,000 <u>232,200</u>
Averages \$ 18,000 <u>19,350</u> per month
Total Rebate Processing: \$ 600 <u>9,600</u>
Averages \$ 150 <u>800</u> per month

Elizabethtown Gas Residential Home Energy Assessment Program

Description Of Program

Elizabethtown Gas' Home Energy Assessment Program is available to all residential customers and provides a 75-minute home energy assessment, free direct installs and educational information on additional energy-saving measures and activities. A customized report provides details on specific measures the homeowner can take to reduce their energy consumption.

The incentive for this program covers 100% of the assessment fee. Although not mandatory, customers who apply for a rebate will be referred to this program as an additional incentive.

Direct install energy-saving measures and activities include:

- Programmable [or smart](#) thermostat, if needed
- [Programmable Thermostat](#) education
- Faucet aerators
- Low-flow shower heads
- Water heater pipe wrap insulation
- Water heater setback

The assessor will evaluate the age and functionality of gas-related energy consuming equipment within the home and provide the customer with details on eligible rebates the customer can receive as a result of upgrading their furnace, boiler or hot water heater. Rebates are available from both the NJ Clean Energy Warm Advantage Program and the Elizabethtown Gas Energy Efficiency Program.

If needed, assessors will recommend additional measures for air sealing & insulation. An implementation contractor will qualify a select group of contractors to provide air sealing and insulation services. These contractors will receive an incentive for which they can provide customers an "instant rebate" on the work completed. The on-site assessor will provide a listing of the pre-qualified contractors to the customer. Incentives include:

- Air Sealing \$250-\$500/unit (average \$375/unit)
- Duct Sealing \$350/unit
- Attic Insulation r5-r38 \$600/unit
- Attic Insulation r11-r38 \$520/unit
- Attic Insulation r19-r38 \$400/unit
- Attic Knee Wall Insulation \$250/unit
- Wall Insulation \$200/unit
- Basement Sidewall Insulation \$300/unit

Assessors will focus on the "whole-house" approach and if needed, will recommend the NJCEP's Home Performance with Energy Star (HPwES) Program.

Elizabethtown Gas will contract with a third-party vendor to schedule and perform the home energy assessment and to provide quality assurance.

Elizabethtown Gas Residential Home Energy Assessment Program

The Elizabethtown Gas Home Energy Assessment is similar to Home Energy Assessments offered by New Jersey Natural Gas and South Jersey Gas. Key differences include:

- Not required to receive a rebate – Required by NJNG and SJG

Delivery Method

Home Energy Assessment services is provided by a third party vendor . This includes the scheduling of appointments, answering of inquiries and quality control. In addition, the third party vendor will provide technology for booking and tracking of appointments and work performed.

Estimated 4-Month Program Participants (March 1, 2020 – June 30, 2020)??-Year Program Participants (MARCH 1, 2020 – ??)

~~768~~ 244 Home Energy Assessment Participants, ~~64~~ 61 per month

4-Month Budget Information (March 1, 2020 – June 30, 2020) ??-Year Program Participants (MARCH 1, 2020 – ??)

~~\$88,874~~ 0.00-Total, ~~\$22,218.43~~ 0.00 per month

~~\$0.00~~ 0.00-Total, ~~\$0.00~~ 0.00 per month – Administrative Fees

Elizabethtown Gas Residential Home Energy Report (~~Opower~~) Program

Description Of Program

Elizabethtown Gas (ETG) will ~~continue to partner with Opower to~~ provide a sample population of residential customers with Home Energy Reports that compare energy usage against that of ~~their neighbors~~ similar sized homes. Home Energy Reports are user-friendly, detailed, and informative messages that provide personalized information to customers about their natural gas energy usage and easy to follow tips that can quickly lead to energy savings.

The Home Energy Reports have proven results in influencing customer behavior in the reduction of energy usage and is a means to leverage customer participation in other energy efficiency programs offered by both ETG and the New Jersey Clean Energy Program (NJCEP).

At the heart of each report is a “neighborhood comparison,” or “similar homes comparison” that compares a participating customer’s energy use against that of similar sized homes, so they have meaningful context regarding their overall energy consumption. Comparisons are based on “like” homes and excludes homes that are not the same home type, use a different heating fuel, are not of similar size, are far away, or are vacant. Customers in the test group are provided with an energy efficiency score that are calculated through comparisons with these neighbors.

Energy consumption is monitored for the test group and is measured against a control group who do not receive the reports. The use of test and control groups has proven to be highly successful Worldwide in reducing customer energy usage, cost-effectively through information, education, and also by increasing customer participation rates in other energy efficiency programs.

Participating customers are also given the opportunity to access a customized portal, where they can change profile information, track energy usage, access tips, find out more about our other energy-saving programs and learn about rebate opportunities.

All ETG customers have access to and are encouraged to use an Online Home Energy Audit. This interactive tool provides suggestions on how to improve home energy usage. Customers enter specifics about their home and the tool determines where the most energy is being utilized and recommends ways to reduce energy usage.

In addition, a dedicated call center phone number is provided on all reports, where participating customers can ask questions or opt out of the program at any time.

Proven results for the ~~Opower~~ Home Energy Report offering show a 60% participation lift in energy efficiency programs and a 5% increase in customer satisfaction. In addition, New Jersey Natural Gas has utilized ~~Opower’s offerings~~ Home Energy Assessments Reports since 2010 claiming successful results and South Jersey Gas ~~contracted and~~ successfully launched this offering ~~with Opower~~ in 2015.

The Home Energy Reports and Online Energy Audits recommend other programs to customers such as the ETG Home Energy Assessment & the NJCEP Home Performance with Energy Star Program.

Elizabethtown Residential Gas Home Energy Report (~~Opower~~) Program

Delivery Method

The Home Energy Reports and Online Energy Audits are provided by ~~Opower, a subsidiary of Oracle Corporation~~ a third party vendor, who specializes in behavioral science, data analytics, and user-centric software design, ~~currently working with over 100 utilities in nine countries.~~

Estimated 4-Month Program Participants (March 1, 2020 – June 30, 2020) Delivery Method

155,000 Residential Customers in the Test Group / 25,000 Residential Customers in the Control Group

4-Month Budget Information (March 1, 2020 – June 30, 2020) Delivery Method

Program Costs:

Total: ~~\$0.00~~720,0000.00

*There will be \$6,500 in HER program funding during the extension period is to cover the remaining vendor call center support expenses. HER Program will not be offered during the extension period.

Elizabethtown Gas Residential Home Weatherization for Income Qualified Customers Program

Description Of Program

This program is an energy saving and energy education program provided to those residential customers with low to moderate income who based on household salary, would not qualify for the Comfort Partners Program.

Participants of this program are provided with a free Home Energy Assessment, as well as energy-saving information and weatherization measures. A certified contractor will evaluate the home's energy efficiency, provide comprehensive, personalized information that educates customers on their energy usage and educates them on how to save energy daily. If eligible, participants will also be provided with systems testing and the direct install of energy-saving measures (determined on a home-specific basis) which can include:

- A programmable [or smart](#) thermostat
- ~~Programmable~~ Thermostat education
- Faucet aerators
- Low-flow shower heads
- Pipe wrap insulation
- Air sealing
- Insulation
- Efficient lighting products
- Heating/cooling equipment maintenance
- Combustion safety testing

The maximum approved measures cannot exceed \$6000 per home. *Note: Any exceptions made to rectify safety issues *must* have pre-approval from ETG Program Manager prior to completing the project.*

Comfort Partners qualification level includes household income that falls in the category of up to ~~225~~250% over the Federal Income Poverty Level. The Home Weatherization for Income Qualified Customers Program qualification includes household income that falls in the category of over ~~225~~250% up to 400% over the Federal Income Poverty Level for the number of family members living in the home. *The Federal Income Poverty Level is updated yearly and Elizabethtown Gas will update our requirements to show the appropriate income levels with each update.*

Gas appliance replacement will be provided to those participants who fail safety testing who are unable to purchase the replacement product on their own. Approved energy efficient gas appliances only will be installed by qualified technicians provided by the program.

Other requirements:

- The customer must also use the home as a primary residence and be the ratepayer of record with the electric or gas utility.
- The customer must be a Residential-Heat Elizabethtown Gas customer to qualify for this program.

Elizabethtown Residential Gas Home Weatherization for Qualifying Customers Program

Delivery Method
Elizabethtown Gas will continue to partner with Green-Life Energy Solutions to provide this offering to the Company's qualified residential customers. Green-Life Energy Solutions will provide all in-home work and will also provide income verification, set-up appointments, perform quality control and provide a phone contact for customer inquiries.
<u>Estimated 4-Month Program Participants (March 1, 2020 – June 30, 2020) Delivery Method</u>
Total: 132 <u>30</u> (approximately 11 <u>7</u> per month)
<u>4-Month Budget Information (March 1, 2020 – June 30, 2020) Delivery Method</u>
Total Program Costs: \$201,812,792,000.00 , approximately \$ 50,452.88 <u>66,000.00</u> per month
Total Program Administrative Fees: \$20,181,79,2000.00 approximately \$ 5,045.29 <u>6,6000.00</u> per month

Elizabethtown Gas Commercial Steam Trap Survey and Repair Program

Description Of Program

Steam trap surveys test and document the operational status of steam traps, utilizing both ultrasound and temperature differentials. In steam systems that have not been maintained for 3 to 5 years, between 15% to 30% of the installed steam traps fail allowing live steam to escape into the condensate return system. In systems with a regularly scheduled maintenance program, leaking traps should account for less than 5% of the trap population.

Customers eligible for this program are hospitals, municipalities and schools. The goal of this program is to incorporate a steam trap survey and repair cycle to hospitals, municipalities, and/or schools, who use steam heating to ensure their leaking traps account for no more than 5% of the total number of traps.

A goal of the program is to change the equipment maintenance behavior of hospitals, municipalities and schools such that these customers will continue with regular maintenance regardless of whether incentives are available. Toward this end, customers will be advised that regular maintenance has the potential to provide consistent therm savings and significantly reduce the cost for future repairs.

A surveyor completes a comprehensive survey and provides a detailed steam-trap functionality report. Survey documentation details a complete trap inventory including location, type, and application engineering. Survey reports also include a full economic analysis (return on investment) and recommendations for overall system improvements. The goal of the report is to document recommendations aimed at improving energy/emission losses, steam generation and distribution, engineering practices/correct applications, health and safety, and heat recovery/return of condensate.

Qualified and fully experienced technicians will repair or replace the defective steam traps as required. Since this program places the building on a yearly maintenance cycle, each year the building is surveyed and repairs are made. It is the cycle of maintenance that reduces the number of failing steam traps yearly, ensuring that ultimately no more than 5% of the trap population fail.

Incentives include:

- Incentive covers 50% of survey costs
- Incentive pays \$0.50 per therm saved up to 50% of the total service, repair or replacement costs

Incentives are paid for both the survey costs and total project costs once the project is completed.

Note: The project must include a natural gas boiler system to be eligible for this project.

Elizabethtown Gas will work with the company performing the surveys to identify and recommend hospitals, municipalities, schools, etc.

Elizabethtown Gas Commercial Steam Trap Survey and Repair Program

Delivery Method

Steam trap surveys and the repair/replacement of steam traps will be performed by ~~American Plant Maintenance, Inc., an~~ independent, licensed steam trap ~~and~~ repair companies. The eligible company must provide Elizabethtown Gas with a detailed breakdown of the work to be performed in order for approval to be granted.

Their ~~independent~~ independence gives them the ability to perform unbiased surveys and recommend the optimum solution for our customers regardless of the manufacturer.

Estimated ~~12-1~~-Month Program Participants (March 1, ~~2019-2020~~ – February 29 June 30, 2020)

Anticipating approximately 2 hospitals, ~~3-0~~ municipality buildings and ~~3-10~~ schools.

4-Month Budget Information (March 1, 2020 – June 30, 2020)

~~12-Month Budget Information (March 1, 2019 – February 29, 2020)~~

Total: ~~\$60,997~~100,000

Elizabethtown Gas Residential HVAC and Gas Hot Water Heater Incentive Program

Description Of Program

This program is designed to enhance the existing New Jersey Clean Energy Program (“NJCEP”) gas HVAC and hot water heater incentive program by supplementing the incentives offered through NJCEP. The name of the NJCEP program being supplemented by this Elizabethtown Gas (ETG) Program is WARMADVANTAGE.

This program will be available to all residential customers as follows:

Customers will be informed via outreach opportunities of the energy efficiency offerings of both the NJCEP and ETG’s Energy Efficiency Program.

If qualifying energy efficient units are installed, ETG will supplement the NJCEP incentive in an amount of \$250 for gas furnaces and \$300 for gas boilers.

ETG will supplement the NJCEP incentive in an amount \$100 ~~or \$200~~ for the installation of an energy efficient gas hot water heater, including power vented gas hot water heaters.

In no event will the combined NJCEP and ETG incentive exceed the total project cost.

The specific types of equipment that qualify for incentives under this program are as follows:

Gas Fired Boilers

Gas Boiler – Hydronic AFUE* 90% or greater

Gas Furnaces

Tier 1 – AFUE 95% or greater

Tier 2 - AFUE 97% or greater

Gas Water Heater

Tankless (On Demand) - <2 gallons & UEF** 0.~~81~~90 or greater

Tank (Power Vented) - ≤55 gallons & UEF 0.64 or greater or >55 gallons, ~~TE*** 0.90, &~~ UEF 0.85 or greater

*AFUE (Annual Fuel Utilization Efficiency)

** UEF (Uniform energy Factor)

***TE (Thermal Efficiency)

Only those customers who are in good standing and subject to the EEP surcharge are eligible to participate in and receive the incentives associated with this program.

The equipment standards reflected in this program description track the standards utilized by the NJCEP. To the extent these standards are modified by NJCEP during the term of the program, the ETG ~~own~~-equipment standard will reflect such modified standard.

Elizabethtown Gas Residential HVAC and Gas Hot Water Heater Rebate Incentive Program

Summary of Program Description As Set Forth Above:

		ETG Rebates	NJCEP Rebates	Total
HEATING	Furnace – Tier 1 AFUE* 95% or greater	\$250	\$250	\$500
	Furnace – Tier 2 AFUE 97% or greater	\$250	\$500	\$750
	Boiler – Hydronic* AFUE 90% or greater <i>Steam boilers do not qualify for rebate</i>	\$300	\$300	\$600
WATER HEATING	Tankless, On-Demand Water Heater <2 gallons & Uniform Energy Factor –UEF 0.90, or greater 2 gallons & UEF 0.81 or greater	\$100	\$300	\$400
	Tank, Power-Vented Water Heater <55 gallons & UEF 0.64, or greater or OR >55 gallons, UEF 90% and UEF 0.85, or greater	\$100	\$300	\$400
COMBINATIONS	Furnace and Water Heater Combination (1) Qualifying Tier 1 gas furnace and a qualifying water heater above	\$350	\$700	\$1,050
	(2) Qualifying Tier 2 gas furnace and a qualifying water heater above	\$350	\$950	\$1,300
	Boiler and Water Heater Combination • Combi-boiler – an integrated unit, combining a water heater and a qualifying boiler (above) • Qualifying stand-alone water heater (above) AND a qualifying boiler (above) • Indirect water heater attached to a qualifying boiler (above) Qualifying boiler (above) and water heater (above): • Integrated water heating and boiler unit (Combi Boilers) • OR a qualifying water heater • OR an indirect water heater attached to a qualifying boiler	\$400	\$700	\$1,100

The NJCEP incentives may be subject to change. The change in an NJCEP incentive level will not impact the ETG incentive level, but may impact the total grant amount.

Participation in this program does not require an energy audit, however ETG will refer participants to the ETG Home Energy Assessment Program and the NJCEP Home Performance with Energy Star (“HPwES”) Program in order to promote a whole house solutions approach to energy efficiency.

Elizabethtown Gas Residential HVAC and Gas Hot Water Heater Rebate Incentive Program

Delivery Method
HVAC installation and/or quality control work will be performed by trained heating, home improvement and energy service providers, including contractors providing such services for the NJCEP.
<u>18-Month Program Participants (July 1, 2020 - December 31, 2021)</u> Estimated 12-Month Program Participants (March 1, 2019 - February 29, 2020)
Total: 934 Participants
732 <u>1,043</u> Participants (HVAC – Furnaces & Boilers); 61 <u>0</u> Participants monthly 134 <u>191</u> Participants (Hot Water Heaters); 0 <u>11</u> Participants monthly 48 <u>76</u> Participants (Boiler / Water Heater combination)/ 0 <u>4</u> Participants monthly 12 <u>26</u> Participants (Furnace / Water Heater combination) / 1 Participant monthly
<u>18-Month Budget Information (July 1, 2020 - December 31, 2021)</u> 12-Month Budget Information (March 1, 2019 - February 29, 2020)
Total Rebates: \$ 330,885 <u>232,200</u>
Averages \$ 18,382.50 <u>19,350</u> per month
Total Rebate Processing: \$ 13,680 <u>9,600</u>
Averages \$ 760.00 <u>800</u> per month

Elizabethtown Gas Residential Home Energy Assessment Program

Description Of Program

Elizabethtown Gas' Home Energy Assessment Program is available to all residential customers and provides a 75-minute home energy assessment, free direct installs and educational information on additional energy-saving measures and activities. A customized report provides details on specific measures the homeowner can take to reduce their energy consumption.

The incentive for this program covers 100% of the assessment fee. Although not mandatory, customers who apply for a rebate will be referred to this program as an additional incentive.

Direct install energy-saving measures and activities include:

- Programmable [or smart](#) thermostat, if needed
- [Programmable Thermostat](#) education
- Faucet aerators
- Low-flow shower heads
- Water heater pipe wrap insulation
- Water heater setback

The assessor will evaluate the age and functionality of gas-related energy consuming equipment within the home and provide the customer with details on eligible rebates the customer can receive as a result of upgrading their furnace, boiler or hot water heater. Rebates are available from both the NJ Clean Energy Warm Advantage Program and the Elizabethtown Gas Energy Efficiency Program.

If needed, assessors will recommend additional measures for air sealing & insulation. An implementation contractor will qualify a select group of contractors to provide air sealing and insulation services. These contractors will receive an incentive for which they can provide customers an "instant rebate" on the work completed. The on-site assessor will provide a listing of the pre-qualified contractors to the customer. Incentives include:

- Air Sealing \$250-\$500/unit (average \$375/unit)
- Duct Sealing \$350/unit
- Attic Insulation r5-r38 \$600/unit
- Attic Insulation r11-r38 \$520/unit
- Attic Insulation r19-r38 \$400/unit
- Attic Knee Wall Insulation \$250/unit
- Wall Insulation \$200/unit
- Basement Sidewall Insulation \$300/unit

Assessors will focus on the "whole-house" approach and if needed, will recommend the NJCEP's Home Performance with Energy Star (HPwES) Program.

Elizabethtown Gas will contract with a third-party vendor to schedule and perform the home energy assessment and to provide quality assurance.

Elizabethtown Gas Residential Home Energy Assessment Program

The Elizabethtown Gas Home Energy Assessment is similar to Home Energy Assessments offered by New Jersey Natural Gas and South Jersey Gas. Key differences include:

- Not required to receive a rebate – Required by NJNG and SJG

Delivery Method

Home Energy Assessment services is provided by a third party vendor . This includes the scheduling of appointments, answering of inquiries and quality control. In addition, the third party vendor will provide technology for booking and tracking of appointments and work performed.

13-Month Program Participants (July 1, 2020 – December 31, 2021)

~~??-Year Program Participants (MARCH 1, 2020 – ??)~~

1,071~~768~~ Home Energy Assessment Participants, 64 per month

13-Month Budget Information (July 1, 2020 - December 31, 2021)

~~??-Year Program Participants (MARCH 1, 2020 – ??)~~

\$418,500 ~~0.00~~ Total, \$23,250.00 ~~0.00~~ per month

\$216,000 ~~0.00~~ Total, \$12,000 ~~0.00~~ per month – Administrative Fees

Elizabethtown Gas Residential Home Energy Report (~~Opower~~) Program

Description Of Program

Elizabethtown Gas (ETG) will ~~continue to partner with Opower to~~ provide a sample population of residential customers with Home Energy Reports that compare energy usage against that of ~~their neighbors~~ similar sized homes. Home Energy Reports are user-friendly, detailed, and informative messages that provide personalized information to customers about their natural gas energy usage and easy to follow tips that can quickly lead to energy savings.

The Home Energy Reports have proven results in influencing customer behavior in the reduction of energy usage and is a means to leverage customer participation in other energy efficiency programs offered by both ETG and the New Jersey Clean Energy Program (NJCEP).

At the heart of each report is a “neighborhood comparison,” or “similar homes comparison” that compares a participating customer’s energy use against that of similar sized homes, so they have meaningful context regarding their overall energy consumption. Comparisons are based on “like” homes and excludes homes that are not the same home type, use a different heating fuel, are not of similar size, are far away, or are vacant. Customers in the test group are provided with an energy efficiency score that are calculated through comparisons with these neighbors.

Energy consumption is monitored for the test group and is measured against a control group who do not receive the reports. The use of test and control groups has proven to be highly successful Worldwide in reducing customer energy usage, cost-effectively through information, education, and also by increasing customer participation rates in other energy efficiency programs.

Participating customers are also given the opportunity to access a customized portal, where they can change profile information, track energy usage, access tips, find out more about our other energy-saving programs and learn about rebate opportunities.

All ETG customers have access to and are encouraged to use an Online Home Energy Audit. This interactive tool provides suggestions on how to improve home energy usage. Customers enter specifics about their home and the tool determines where the most energy is being utilized and recommends ways to reduce energy usage.

In addition, a dedicated call center phone number is provided on all reports, where participating customers can ask questions or opt out of the program at any time.

Proven results for the ~~Opower-Home Energy Report~~ offering show a 60% participation lift in energy efficiency programs and a 5% increase in customer satisfaction. In addition, New Jersey Natural Gas has utilized ~~Opower’s offerings~~ Home Energy Assessments Reports since 2010 claiming successful results and South Jersey Gas ~~contracted and~~ successfully launched this offering ~~with Opower~~ in 2015.

The Home Energy Reports and Online Energy Audits recommend other programs to customers such as the ETG Home Energy Assessment & the NJCEP Home Performance with Energy Star Program.

Elizabethtown Residential Gas Home Energy Report (~~Opower~~) Program

Delivery Method

The Home Energy Reports and Online Energy Audits are provided by ~~Opower, a subsidiary of Oracle Corporation~~ a third party vendor, who specializes in behavioral science, data analytics, and user-centric software design, ~~currently working with over 100 utilities in nine countries.~~

13 -Month Program Participants (July 1, 2020 – December 31, 2021)

~~Delivery Method~~

155,000 Residential Customers in the Test Group / 25,000 Residential Customers in the Control Group

13-Month Budget Information (July 1, 2020 - December 31, 2021)

~~Delivery Method~~

Program Costs:

Total: \$~~1,080,000~~720,0000.00

Elizabethtown Gas Residential Home Weatherization for Income Qualified Customers Program

Description Of Program

This program is an energy saving and energy education program provided to those residential customers with low to moderate income who based on household salary, would not qualify for the Comfort Partners Program.

Participants of this program are provided with a free Home Energy Assessment, as well as energy-saving information and weatherization measures. A certified contractor will evaluate the home's energy efficiency, provide comprehensive, personalized information that educates customers on their energy usage and educates them on how to save energy daily. If eligible, participants will also be provided with systems testing and the direct install of energy-saving measures (determined on a home-specific basis) which can include:

- A programmable [or smart](#) thermostat
- ~~Programmable~~ Thermostat education
- Faucet aerators
- Low-flow shower heads
- Pipe wrap insulation
- Air sealing
- Insulation
- Efficient lighting products
- Heating/cooling equipment maintenance
- Combustion safety testing

The maximum approved measures cannot exceed \$6000 per home. *Note: Any exceptions made to rectify safety issues *must* have pre-approval from ETG Program Manager prior to completing the project.*

Comfort Partners qualification level includes household income that falls in the category of up to ~~225~~[250](#)% over the Federal Income Poverty Level. The Home Weatherization for Income Qualified Customers Program qualification includes household income that falls in the category of over ~~225~~[250](#)% up to 400% over the Federal Income Poverty Level for the number of family members living in the home. *The Federal Income Poverty Level is updated yearly and Elizabethtown Gas will update our requirements to show the appropriate income levels with each update.*

Gas appliance replacement will be provided to those participants who fail safety testing who are unable to purchase the replacement product on their own. Approved energy efficient gas appliances only will be installed by qualified technicians provided by the program.

Other requirements:

- The customer must also use the home as a primary residence and be the ratepayer of record with the electric or gas utility.
- The customer must be a Residential-Heat Elizabethtown Gas customer to qualify for this program.

Elizabethtown Residential Gas Home Weatherization for Qualifying Customers Program

Delivery Method
Elizabethtown Gas will continue to partner with Green-Life Energy Solutions to provide this offering to the Company's qualified residential customers. Green-Life Energy Solutions will provide all in-home work and will also provide income verification, set-up appointments, perform quality control and provide a phone contact for customer inquiries.
<u>18 -Month Program Participants (July 1, 2020 -- December 31, 2021)</u>
Delivery Method
Total: 206 <u>132</u> (approximately 11 per month)
<u>18-Month Budget Information (July 1, 2020 - December 31, 2021)</u>
Delivery Method
Total Program Costs: \$1,233,123 <u>792,000.00</u> , approximately \$68,500 506.82 66,000.00 per month
Total Program Administrative Fees: \$123,312 79,200.00 approximately \$6,850.68 6,600.00 per month

Elizabethtown Gas Commercial Steam Trap Survey and Repair Program

Description Of Program

Steam trap surveys test and document the operational status of steam traps, utilizing both ultrasound and temperature differentials. In steam systems that have not been maintained for 3 to 5 years, between 15% to 30% of the installed steam traps fail allowing live steam to escape into the condensate return system. In systems with a regularly scheduled maintenance program, leaking traps should account for less than 5% of the trap population.

Customers eligible for this program are hospitals, municipalities and schools. The goal of this program is to incorporate a steam trap survey and repair cycle to hospitals, municipalities, and/or schools, who use steam heating to ensure their leaking traps account for no more than 5% of the total number of traps.

A goal of the program is to change the equipment maintenance behavior of hospitals, municipalities and schools such that these customers will continue with regular maintenance regardless of whether incentives are available. Toward this end, customers will be advised that regular maintenance has the potential to provide consistent therm savings and significantly reduce the cost for future repairs.

A surveyor completes a comprehensive survey and provides a detailed steam-trap functionality report. Survey documentation details a complete trap inventory including location, type, and application engineering. Survey reports also include a full economic analysis (return on investment) and recommendations for overall system improvements. The goal of the report is to document recommendations aimed at improving energy/emission losses, steam generation and distribution, engineering practices/correct applications, health and safety, and heat recovery/return of condensate.

Qualified and fully experienced technicians will repair or replace the defective steam traps as required. Since this program places the building on a yearly maintenance cycle, each year the building is surveyed and repairs are made. It is the cycle of maintenance that reduces the number of failing steam traps yearly, ensuring that ultimately no more than 5% of the trap population fail.

Incentives include:

- Incentive covers 50% of survey costs
- Incentive pays \$0.50 per therm saved up to 50% of the total service, repair or replacement costs

Incentives are paid for both the survey costs and total project costs once the project is completed.

Note: The project must include a natural gas boiler system to be eligible for this project.

Elizabethtown Gas will work with the company performing the surveys to identify and recommend hospitals, municipalities, schools, etc.

Elizabethtown Gas Commercial Steam Trap Survey and Repair Program

Delivery Method

Steam trap surveys and the repair/replacement of steam traps will be performed by ~~American Plant Maintenance, Inc., an independent, licensed steam trap and repair companies.~~ The eligible company must provide Elizabethtown Gas with a detailed breakdown of the work to be performed in order for approval to be granted.

Their ~~independent~~ independence gives them the ability to perform unbiased surveys and recommend the optimum solution for our customers regardless of the manufacturer.

18 -Month Program Participants (July 1, 2020 – December 31, 2021)

~~Estimated 12-Month Program Participants (March 1, 2019 – February 29, 2020)~~

Anticipating approximately ~~2-3~~ hospitals, ~~3-5~~ municipality buildings and ~~3-30~~ schools.

18-Month Budget Information July 1, 2020 - December 31, 2021)

~~12-Month Budget Information (March 1, 2019 – February 29, 2020)~~

Total: \$~~150,000~~100,000



Deborah M. Franco, Esq.
Regulatory Affairs Counsel

August 22, 2019

Via Email and FedEx

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**Re: In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a
Elizabethtown Gas for Authority to Extend the term of Energy Efficiency
Programs and Approval of Associated Cost Recovery Mechanism
BPU Docket No. GR18070682**

Dear Ms. Peterson and Ms. Friel:

On behalf of Elizabethtown Gas Company (“Elizabethtown”), in accordance with the February 27, 2019 Board of Public Utilities Order (“Board”) issued in the above-referenced proceeding, enclosed is an “Assessment of Elizabethtown Energy Efficiency Programs” that Elizabethtown is required to provide to Board Staff and the New Jersey Division of Rate Counsel, pursuant to paragraph J. of the Stipulation.

Please feel free to contact the undersigned if you have any questions.

Respectfully yours,

Deborah M. Franco

DMF/adh
Enclosure

cc: Service List – via email

August 22, 2019



Assessment of Elizabethtown Energy Efficiency Programs

Pursuant to a Stipulation (“Stipulation”) between Elizabethtown Gas Company (“Etown”), New Jersey Board of Public Utilities (“BPU”) Staff (“Staff”) and the New Jersey Division of Rate Counsel (“Rate Counsel”), which was approved by a February 27, 2019 Order in BPU Docket No. GO18070682, Etown is required to provide an assessment of its energy efficiency programs. This Assessment, which contains an evaluation of Etown’s energy efficiency programs for the period July 31, 2018 through June 30, 2019, complies with this requirement of the Stipulation. The specific terms requiring the provision of this assessment are provided in Attachment 1.

1. Cost Benefit Analysis

The following section contains the results of cost benefit analysis of Etown’s energy efficiency programs for the one-year period of July 31, 2018 through June 30, 2019.

a. Cost Benefit Test Ratios

The cost benefit results presented in table 1 are based on actual participation and spending. As the table shows, the residential and commercial sector programs were cost effective under the societal cost and total resource cost tests. The entire portfolio was also cost effective under both the societal cost test and total resource cost test, showing that these programs were a prudent investment by ratepayers.

Table 1. Cost Benefit Ratios Based on Actual Participation and Spending

<i>Program</i>	<i>Societal Cost Test (SCT)</i>	<i>Total Resource Cost Test (TRC)</i>	<i>Participant Cost Test (PCT)</i>	<i>Program Administrator Cost Test (PAC)</i>	<i>Ratepayer Impact Measure Test (RIM)</i>
<i>Residential HVAC and HW</i>	1.7	0.9	3.7	3.1	0.8
<i>Residential Home Energy Assessment</i>	4.3	1.5	5.1	4.0	1.0
<i>Residential Home Energy Report</i>	3.8	1.6	n/a	1.6	0.6
<i>Residential Home Weatherization</i>	3.6	1.1	6.7	1.0	0.6
<i>Residential Program</i>	3.2	1.3	12.3	1.7	0.6
<i>Commercial Steam Trap</i>	1.8	1.0	9.5	1.4	0.8
<i>Commercial & Industrial Program</i>	1.8	1.0	9.5	1.4	0.8
<i>Total Portfolio</i>	3.2	1.3	12.3	1.7	0.6

b. Energy Savings by Fuel Type

The programs reduced consumption of electric and natural gas for Etown customers. Table 2 shows the first year and lifetime electric and natural gas reductions by program for the period of July 31, 2018 through June 30, 2019. The programs will reduce natural gas consumption by 6.3 million therms and electric consumption by 16.3 million kWh over the lifetime of the programs.

Table 2. Electric and Natural Gas Savings by Program

Program	First Year Natural Gas savings (therms)	First Year Electric Savings (kWh)	Electric Demand Savings (kW)	Lifetime Natural Gas Savings (therms)	Lifetime Electric Savings (kWh)
Residential HVAC and HW	84,599	0	0	1,485,154	0
Residential Home Energy Assessment	13,837	80,459	18.2	139,503	811,202
Residential Home Energy Report	1,331,450	4,326,596	0	3,994,350	12,979,789
Residential Home Weatherization	38,922	142,399	52.5	679,005	2,484,217
Commercial Steam Trap	17,266	0	0	51,798	0
Total	1,486,073	4,549,454	71	6,349,810	16,275,209

c. Monetary Savings

The natural gas and electric reductions achieved through the Etown programs provide customers with significant bill savings. Table 3 shows the estimated lifetime monetary savings by program and fuel type. In total, the programs will save customers approximately \$5.5 million over the lifetime of the measures.

Table 3. Lifetime Program Participant Monetary Savings by Program

Program	Lifetime Avoided Retail Electric Costs	Lifetime Avoided Retail Natural Gas Costs	Total
Residential HVAC and HW		\$1,022,784	\$1,022,784
Residential Home Energy Assessment	\$123,697	\$168,091	\$291,788
Residential Home Energy Report	\$1,034,217	\$2,321,629	\$3,355,846
Residential Home Weatherization	\$219,859	\$544,647	\$764,506
Residential Program	\$1,377,773	\$4,057,150	\$5,434,923
Commercial Steam Trap		\$36,767	\$36,767
Commercial & Industrial Program		\$36,767	\$36,767
Total Portfolio	\$1,377,773	\$4,093,918	\$5,471,691

d. Environmental Savings

The environmental benefits of energy efficiency programs are also significant. Reducing consumption of electricity and natural gas reduces air pollution and greenhouse gas emissions, providing health and environmental benefits to New Jersey communities. Table 4 shows the environmental benefits associated with emissions reductions.¹

Table 4. Lifetime Avoided Air Emissions Benefits by Program

<i>Program</i>	<i>Lifetime Avoided Emissions Damages</i>
<i>Residential HVAC and HW</i>	\$585
<i>Residential Home Energy Assessment</i>	\$117,125
<i>Residential Home Energy Report</i>	\$620,737
<i>Residential Home Weatherization</i>	\$228,211
<i>Residential Program</i>	\$966,657
<i>Commercial Steam Trap</i>	\$18
<i>Commercial & Industrial Program</i>	\$18
<i>Total Portfolio</i>	\$966,676

2. Summary CBA at Program Level

All programs were deemed cost effective based upon the results of the societal cost test and all but one program was deemed cost effective based upon the total resource cost test. That one program, Residential HVAC and HW, scored a 0.9 on the total resource cost test. The summary cost benefit results at the program level are presented in Table 1.

3. Program Participation

Table 5 shows participation by program for the period between July 31, 2018 through June 30, 2019.

Table 5. Participation by Program

<i>Program</i>	<i>Participants</i>
<i>Residential HVAC and HW (measures)</i>	653
<i>Weatherization Income Qualified (homes)</i>	117
<i>Home Energy Assessment (homes)</i>	478

¹ The avoided environmental damages were estimated using displaced emissions from power plants. For carbon dioxide this value was from the Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis, August 2016. Interagency Working Group on Social Cost of Greenhouse Gases, United States Government. Other pollutant damages were sourced from Technical Support Document: Estimating the Benefit per Ton of Reducing PM2.5 Precursors from 17 Sectors, February 2018. U.S. Environmental Protection Agency.

<i>Home Energy Report (customers)</i>	155,000
<i>Steam Trap Survey/Repair (jobs)</i>	2

4. Program Budgets

Table 6 shows the projected versus actual budgets by program for the period between July 31, 2018 through June 30, 2019. As the table shows, Etown has spent less than the projected budget for all programs with the exception of Residential Home Weatherization. The costs shown in table 6 include all administrative, labor, and evaluation costs, as well as rebates, incentives, and other program delivery costs.

Table 6. Actual vs. Projected Costs by Program

<i>Program</i>	<i>Projected</i>	<i>Actual</i>	<i>Difference</i>
<i>Residential HVAC and HW</i>	\$402,984	\$228,622	(\$174,361)
<i>Residential Home Energy Assessment</i>	\$477,069	\$357,810	(\$119,259)
<i>Residential Home Weatherization</i>	\$732,995	\$815,355	\$82,360
<i>Residential Home Energy Report</i>	\$924,481	\$843,757	(\$80,725)
<i>Residential Program</i>	\$2,537,529	\$2,245,543	(\$291,986)
<i>Commercial Steam Trap</i>	\$97,635	\$9,719	(\$87,916)
<i>Commercial & Industrial Program</i>	\$97,635	\$9,719	(\$87,916)
<i>Total Portfolio</i>	\$2,635,164	\$2,255,262	(\$379,902)

5. Actual Dollars Spent by Program Expenditures and Administrative Costs

Table 7 shows the actual dollars spent by program expenditures and administrative costs. The vast majority of costs were related to program delivery, including rebates, incentives paid, and direct program costs.

Table 7. Actual Dollars Spent by O&M and Direct Program Expenditures

<i>Portfolio O&M Costs</i>	
Labor	\$202,036
Customer Education, Outreach	\$43,051
Program Evaluation	\$36,870
TOTAL O&M	\$281,957
<i>Program Expenditures</i>	
Residential Gas HVAC/WH	
Rebates, Grants, Incentives	\$192,874
Rebate Processing	\$7,166
Home Energy Assessments	\$253,076
HEA Administrative Fees	

Home Weatherization for Income Qualified	\$648,561
HW for IQC Administrative Fees	\$64,856
Home Energy Report	\$738,269
Total Residential	\$1,904,802
Commercial Steam Trap	\$8,504
Total Commercial	\$8,504
Total Program Expenditures	\$1,973,306
Total EEP Expenditures	\$2,255,262

6. Actual dollars committed through June 2019

Through June 2019, Etown has committed \$2,255,262 through its energy efficiency programs. The breakout of committed dollars by program are shown in table 6.

7. Projected Annual Energy Savings

The annual energy savings projections for the program year under the extension would cover March 1, 2019 through February 29, 2020. Table 8 shows the forecasted annual energy savings for this period.

Table 8. Forecasted Annual Natural Gas and Electric Savings by Program

<i>Program</i>	<i>Natural Gas Savings (therms)</i>	<i>Electric Savings (kWh)</i>
<i>Residential HVAC and HW</i>	128,491	
<i>Residential Home Energy Assessment</i>	35,104	220,270
<i>Residential Home Energy Report</i>	655,000	4,661,559
<i>Residential Home Weatherization</i>	62,573	230,016
<i>Commercial Steam Trap</i>	143,883	
Total	1,025,051	5,111,845

8. Actual Annual Energy Savings

Table 9 shows the actual savings through June 2019 for the current extension period, which began on March 1, 2019.

Table 9. Actual Natural Gas and Electric Savings through June 2019

<i>Program</i>	<i>Natural Gas Savings (therms)</i>	<i>Electric Savings (kWh)</i>
<i>Residential HVAC and HW</i>	28,200	
<i>Residential Home Energy Assessment</i>	4,612	26,820
<i>Residential Home Energy Report</i>	443,817	1,442,199
<i>Residential Home Weatherization</i>	12,974	47,466
<i>Commercial Steam Trap</i>	5,755	
Total	495,358	1,516,485

9. Recap of relevant recent policy determinations or NJCEP program changes

There are no recent NJCEP program changes or policy determinations that are relevant to the Etown energy efficiency program offerings. Since the time of the Stipulation, NJCEP has implemented its FY2020 budget and programs; however, any modifications associated with the NJCEP FY2020 budget and programs do not have a material impact on Etown's programs.

10. Summary of Insights and Barriers Identified to Date for the Programs

Etown identified several insights and barriers related to the implementation of the approved energy efficiency programs. These included:

- **Commercial Steam Trap:** Customers participating in this program shared positive feedback regarding their experience and its impact. The program drew stronger than anticipated customer interest due in large part to the favorable return on investment. Hospital projects experienced extended cycle times due to the sensitivity of installing measures in these facilities and the associated logistical complexities. Due to the positive feedback and extensive interest from customers, Etown is considering an expansion of this program to capitalize on energy savings associated with its success.
- **Residential Home Weatherization:** This program received strong customer satisfaction feedback. The most significant obstacle the program implementer confronted was existing health and safety barriers in customer homes. Challenging housing stock is commonly found in income eligible programs (similar barriers are faced in implementing the New Jersey Comfort Partners Program). Additional budget would have allowed the program to address health and safety barriers; however, the current allowed budget for those jobs could not support that additional, limited energy savings related work.
- **Residential Home Energy Report:** Etown worked with the program implementor to adjust report language which changed customer behavior and optimized savings.
- **Residential Home Energy Assessment:** This program received significant customer interest which led to the participation targets being exceeded. Due to the heavy customer interest, Etown is considering adding smart thermostats and including the blower door test as a component of the audit for a more seamless customer transition into the Home Performance with Energy Star Program, or other residential program offerings.

11. Summary of Relevant Insights and Barriers for Potential Joint Program Efforts

Etown delivers several programs that would be potential candidates for joint program delivery. These programs include: 1) residential home energy assessment; and, 2) residential home weatherization. Both of these programs rely on an in-home delivery approach where Etown Gas auditors identify energy saving opportunities and install measures at no cost. A joint audit could drive greater electric savings as the Etown program offerings currently focus on gas savings. The direct connection with the customer also provides opportunities to drive customers to other programs, including other utility and OCE programs.

12. Description of how the program delivery and administrative mechanisms of those programs which are subsequently determined to be more appropriately delivered by NJCEP will be transitioned from Elizabethtown to NJCEP management

Etown Gas does not currently offer any programs that would be more appropriately delivered by NJCEP.

ATTACHMENT 1: Stipulation Requirements

The following requirements are contained in Section J of the Stipulation approved by the New Jersey Board of Public Utilities in BPU Docket No. GO18070682:

J. Assessment. Elizabethtown will conduct a comprehensive assessment of this EE Program with the Board and Rate Counsel. This assessment will be completed by August 2019. This assessment will include, but not be limited to, the following items:

1. A Cost Benefit Analysis (“CBA”), reflective of actual costs, savings and customer participation. The CBAs shall be calculated in accordance with prevailing approved NJCEP protocols at the subprogram level and will include:
 - a. CBA ratios for the following tests:
 - (i) Participant Cost Test
 - (ii) Program Administrator Cost Test
 - (iii) Ratepayer Impact Measure Test
 - (iv) Total Resource Cost Test; and
 - (v) Societal Cost Test
 - b. Energy savings by fuel type
 - c. Monetary savings
 - d. Environmental savings
2. Summary CBAs will also be provided at the program and portfolio level;
3. The number of participants by sub program;
4. The budgeted dollars per sub program;
5. The actual dollars spent through June 2019 by type of expenditure:
 - a. Program expenditures; and

b. Administrative costs

6. The actual dollars committed through June 2019;
7. The original annual savings projections provided in the Petition by sub program;
8. The actual annual savings from program participants by sub program;
9. Recap of recent policy determinations or NJCEP program changes that are relevant by sub program;
10. Summary of insights and barriers identified to date for the subprograms;
11. Summary of relevant insights regarding the potential for joint/aligned utility efforts by sub program, including potential timing for advancements in this area; and
12. Description of how the program delivery and administrative mechanisms of those programs which are subsequently determined to be more appropriately delivered by NJCEP will be transitioned from Elizabethtown to NJCEP management.

Elizabethtown will provide this assessment to Staff and Rate Counsel once complete and discuss the results. Elizabethtown will endeavor to modify any future EE Program to comply with the recently approved State legislation L. 2018, c. 21, changes in the NJCEP, or policy decisions made by the Board since the date of Board approval of this stipulation, or based on program results. In addition, Elizabethtown commits to share market insights from all subprograms in its EE Program with the BPU and other stakeholders as the State begins to address the legislative mandates for energy efficiency and renewable energy or as otherwise deemed appropriate by the Board.

Furthermore, to the extent feasible, in support of any future petition for an extension of the EE Programs, Elizabethtown will consider an evaluation, measurement & verification study to examine factors such as net-to-gross, free-ridership, spillover, and savings persistence.

**IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A
ELIZABETHTOWN GAS FOR AUTHORITY TO EXTEND THE TERM OF ENERGY EFFICIENCY
PROGRAMS AND APPROVAL OF ASSOCIATED COST RECOVERY MECHANISM**

BPU DOCKET NO. GO18070682

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**IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A
ELIZABETHTOWN GAS FOR AUTHORITY TO EXTEND THE TERM OF ENERGY EFFICIENCY
PROGRAMS AND APPROVAL OF ASSOCIATED COST RECOVERY MECHANISM**

BPU DOCKET NO. GO18070682 (cont'd.)

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**Elizabethtown Gas Company
Energy Efficiency Program (EEP) - Docket No. GO18070682**

Current Program		Program Summary (4-Month Extension)			
March 2019 - June 2020		Approved Budget	March 19 - February 20	4-Month Ext. March 20 - June 20 ⁴	Projected Remaining Budget
O&M EXPENDITURES					
	HVAC Rebate	\$	19,447	\$	12,480
	HEA	\$	25,431	\$	16,320
	Home WX	\$	59,837	\$	38,400
	HER	\$	17,951	\$	5,760
	Steam Trap	\$	26,927	\$	23,040
Labor¹		\$	272,122	\$	149,592
	HVAC Rebate	\$	7,437	\$	6,703
	HEA	\$	12,395	\$	8,312
	Home WX	\$	14,874	\$	8,848
	HER	\$	4,545	\$	1,809
	Steam Trap	\$	2,066	\$	1,341
Customer Education, Outreach		\$	96,000	\$	41,317
Program Evaluation		\$	30,000	\$	57,870
TOTAL O&M		\$	398,122	\$	248,779
PROGRAM EXPENDITURES					
Residential Gas HVAC/WH :					
	Rebates, Grants, Incentives	\$	232,200	\$	149,300
	Rebate Processing	\$	9,600	\$	2,491
	Home Energy Assessments	\$	300,000	\$	191,126
	Home Energy Assessments Admin Fees	\$	144,000	\$	144,000
	Home Weatherization for Income Qualified	\$	792,000	\$	692,266
	HW for IQC Administrative Fees	\$	79,200	\$	69,523
	Home Energy Report - Opower ^{2,3}	\$	720,000	\$	664,857
		\$	2,277,000	\$	1,913,563
Commercial Gas					
	Steam Trap Survey & Cleaning Pilot	\$	100,000	\$	39,003
		\$	100,000	\$	39,003
Total Program Expenditures		\$	2,377,000	\$	1,952,566
Total Program O&M & Expenditures		\$	2,775,122	\$	2,201,345

Proposed Program (18-Month Extension)			
July 2020 - December 2021 ⁵		Current Program	Proposed 18-Month Program ⁶
O&M EXPENDITURES			
	HVAC Rebate	\$	53,064
	HEA	\$	69,391
	Home WX	\$	163,273
	HER	\$	48,982
	Steam Trap	\$	73,473
Labor		\$	272,122
	HVAC Rebate	\$	25,920
	HEA	\$	43,200
	Home WX	\$	51,840
	HER	\$	15,840
	Steam Trap	\$	7,200
Customer Education, Outreach		\$	96,000
Program Evaluation		\$	30,000
TOTAL O&M		\$	398,122
PROGRAM EXPENDITURES			
Residential Gas HVAC/WH :			
	Rebates, Grants, Incentives	\$	232,200
	Rebate Processing	\$	9,600
	Home Energy Assessments	\$	300,000
	Home Energy Assessments Admin Fees	\$	144,000
	Home Weatherization for Income Qualified	\$	792,000
	HW for IQC Administrative Fees	\$	79,200
	Home Energy Report - Opower	\$	720,000
		\$	2,277,000
Commercial Gas			
	Steam Trap Survey & Cleaning Pilot	\$	100,000
		\$	100,000
Total Program Expenditures		\$	2,377,000
Total EEP Expenditures		\$	2,775,122

EEP CURRENT RUN-RATE	
Total Current Program Approved Expenditures	\$ 2,775,122
Months	12
Total Current Program Approved Exp per Month	\$ 231,260
Months	18
Proposed 18-Month Program Expenditures	\$ 4,162,683

¹ Labor surplus funding shifted to Home Weatherization Program. Surplus due to ETG program management employee vacancies in 2019. Employee vacancies also explain the higher labor run rate in extension period.

² Excludes an invoice for \$175,286 received during the current EEP program period for expenditures incurred in the previous EEP (i.e. timing). This amount was not in the current program budget.

³ \$6,500 HER program funding during the extension period is to cover the remaining vendor call center support expenses. HER Program will not be offered during the extension period.

⁴ Unspent dollars from Labor, Rebates, Rebate Processing, Home Energy Assessments & Home Energy Report reallocated to income eligible Home Weatherization Program.

⁵ Subject to an implementation of a new Elizabethtown EE Program with an earlier effective date.

⁶ Current program budgets were multiplied by 1.5 to arrive at the 18 month budget, however, some programs were reduced slightly so the money could be reallocated to the Home Weatherization Program based upon findings from the previous program evaluation and ETG's experience administering the programs. Overall proposed 18 month program budget is equal to the total current program budget multiplied by 1.5.