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May 31, 2022

[Corrections made to page 6 on September 15, 2022]

VIA ELECTRONIC MAIL

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board.secretary@bpu.nj.gov

Carmen D. Diaz
Acting Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

RE: 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 No. EO20090621

In the Matter of the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs
BPU Docket No. QO10010040

Dear Acting Secretary Diaz:

By way of follow up to, and in compliance with, the above referenced Decision and Order Approving Stipulation dated April 27, 2021, and the New Jersey Board of Public Utilities' ("BPU" or the "Board") Order issued in connection with *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, dated June 10, 2020, following for filing is the Quarterly Progress Report for the third quarter ("Q3") of Program Year 2022¹

¹ For purposes of these quarterly reports, the numbering of the quarters aligns to these dates: **Q1** (7/1/2021 - 9/30/2021); **Q2** (10/1/2021 - 12/31/2021); **Q3** (1/1/2022 - 3/31/2022); and **Q4** (4/1/2022 - 6/30/2022).

(“PY22”) of Atlantic City Electric Company (“ACE” or “Company”) with respect to its Clean Energy Act of 2018 Energy Efficiency (“EE”) and Peak Demand Reduction (“PDR”) Programs.

Energy Efficiency Program Progress - Executive Summary

ACE began offering its portfolio of EE programs on July 1, 2021. The portfolio includes distinct programs across the Residential, Multi-Family, and Commercial and Industrial (“C&I”) sectors. These programs include a diverse array of sub-programs and participation pathways designed to engage each unique segment of customers and make it easy to reduce energy usage.

The Residential and Multi-family sectors are made up of the following offerings:

- Behavioral: This program includes behavioral initiatives and energy education. It can reach a significant portion of the utility customer base, including low- to moderate-income customers, and share personalized education, including guidance on low and no-cost energy-saving strategies.
- Efficient Products: This program provides incentives and rebates for energy-efficient products, including those offered at retail and through the online marketplace, such as appliances and heating, ventilation and air conditioning (“HVAC”) equipment, as well as appliance recycling.
- Existing Homes: Home Performance with ENERGY STAR® (“HPwES”): This subprogram provides incentives to encourage customers to pursue comprehensive upgrades to their home.
- Existing Homes: Quick Home Energy Check-Up (“QHEC”): This subprogram helps customers understand their best opportunities to save energy through an in-home consultation and ensures savings through the direct installation of energy-saving measures. It is designed to help renters as well as homeowners and promotes additional energy-saving programs and opportunities that are appropriate for the customer.
- Existing Homes: Moderate Income Weatherization: This subprogram provides an opportunity for low- to moderate-income customers to receive energy efficiency measures and upgrades at no cost.
- Multi-Family Program: This program provides maximum customer flexibility to meet the specific needs of each customer. A structured screening review is used to determine the customer’s needs and develop a tailored energy efficiency solution.

The table below provides an overview of all programs that the Company currently offers to residential and multi-family customers and the date ACE launched the programs.

Program	Sub-program	Date Launched
Behavior	Home Energy Reports	Existing program from merger commitment
Efficient Products	HVAC	July 1, 2021
	Online Marketplace	October 14, 2021
	Appliance Rebates	July 1, 2021
	Appliance Recycling	July 1, 2021
Existing Homes	<u>HPwES</u>	July 1, 2021
	QHEC	Existing program from merger commitment
	Moderate-Income Weatherization	September 1, 2021
Multi-family	Multi-family	September 1, 2021

The C&I EE and conservation programs included in the program portfolio consist of the following:

- Small Business Direct Install (“SBDI”): This subprogram provides a no-cost audit and direct-install measures, and incentives for comprehensive retrofit projects. Non-residential customers can also receive financing for project costs.
- Energy Solutions for Business: Prescriptive and Custom: This subprogram provides prescriptive and custom measures for lighting, HVAC, controls, and other C&I equipment.
- Energy Solutions for Business: Engineered Solutions: This subprogram provides tailored energy efficiency savings for medium-to large-commercial customers, including municipalities, universities, schools, hospitals, and non-profit entities.
- Energy Solutions for Business: Energy Management: This subprogram provides incentives to C&I customers to allow customers to manage their energy consumption more efficiently at their facilities. It includes incentives for several approaches to energy management focused on optimizing equipment and processes at commercial facilities.

The table below provides an overview of all programs the Company currently offers to C&I customers and the date ACE launched the programs.

Program	Sub-program	Date Launched
Energy Solutions for Business	Prescriptive / Custom	July 1, 2021
SBDI	N/A	August 1, 2021
Energy Solutions for Business	Energy Management	October 1, 2021
Energy Solutions for Business	Engineered Solutions	October 1, 2021

Challenges and Program Observations

The Company has observed a few challenges in the process of deploying its EE programs to customers. Each utility has separate and distinct stipulated orders issued by the Board, though significant coordination is required with utilities that provide electric and natural gas service to customers to ensure that ACE, along with its peer utilities, design(s) programs and allocate funds to administer programs in a manner that is consistent with each stipulation. This coordination of budgets, participation criteria, and incentive levels may require ACE to shift resources committed to other programs, and additional funding may eventually be needed to ensure that programs remain open for the duration of the triennial plan period. The utilities have jointly filed a petition with the BPU to alleviate some of the conditions leading to these budget constraints. The Company will continue to monitor program performance and collaborate with the other utilities, BPU Staff, the New Jersey Division of Rate Counsel (“Rate Counsel”), and other parties in the working groups set by the BPU to address this issue.

ACE has been fully engaged in the multitude of working groups related to EE, including the work related to the Statewide Coordinator (“SWC”), which is responsible for constructing the database system to enable partner utilities to track data, metrics, and savings between shared customers. The SWC is a critical component to the success of ACE’s EE program, along with all of the other utilities. The Company continues to participate in discussions to complete the build-out of the database which has extended beyond the originally scheduled completion date.

Similarly, ACE continues to build its internal program tracking system (known as eTRACK), which, in coordination with other Company business applications, will enable ACE to track EE program administration, incentive costs, and savings across both residential and C&I programs. eTRACK is a cornerstone of ACE’s standard tracking framework and the Company is still targeting full implementation by the fourth quarter reporting period. ACE continues to rely

on data gathered from legacy systems and implementation contractors to support the information in this report.

A significant challenge for ACE’s Residential programs in meeting its goals is the United States Department of Energy (“DOE”) announcement of two new rules for light bulbs in April 2022. The first rule establishes a revised definition of general service lamps (“GSLs”), which includes not only pear-shaped A lamps but other common bulb types such as reflectors, candle-shaped candelabras, and globes. The second rule implements the Energy Independence and Security Act of 2007 backstop establishing an efficiency requirement that all GSLs that meet the revised definition must meet the minimum standard of 45 lumens per watt. The effect of the new rules is that retail and wholesale selling of traditional incandescent or halogen incandescent bulbs will be phased out by 2023. With the announcement of the new lighting rules, DOE set up an enforcement mechanism that will allow companies to import non-compliant bulbs up until January 2023 and will allow retailers to sell non-compliant bulbs until July 2023. After 2023, it is ACE’s expectation that program activity for residential lighting will significantly drop off or potentially discontinue offering discounted LEDs.

ACE EE Program Performance

Figure 1 shows that the energy savings year-to-date (“YTD”) is behind in terms of meeting the PY22 annual savings goal, while spending less than was budgeted.

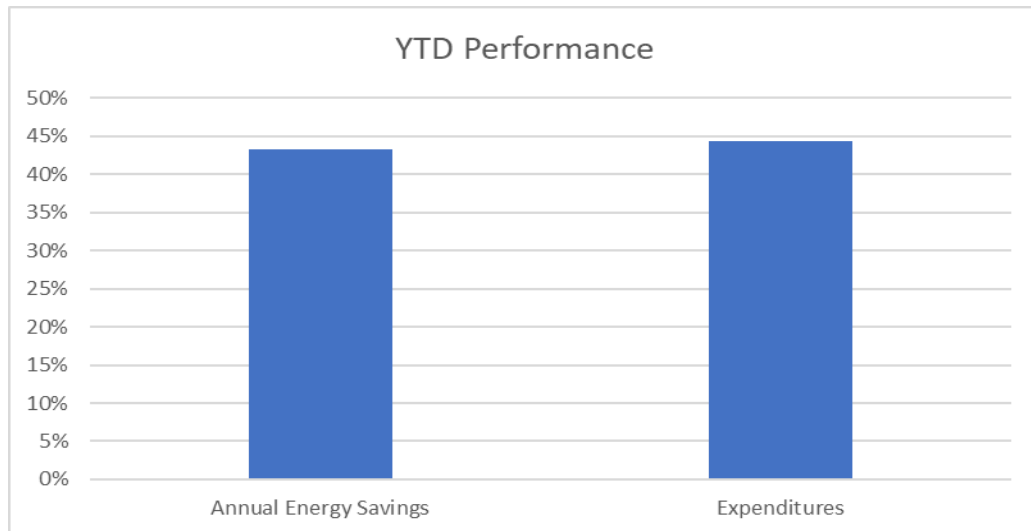


Figure 1: Q3 YTD Performance of Annual Energy Savings and Budget

Table 1 – Quarterly Progress Table

	Current Quarter Retail Savings ¹	Year to Date (“YTD”) Retail Savings ²	Current Quarter Wholesale Savings ³	Energy Efficiency Baseline ⁴	YTD Savings as Percent of Baseline	Annual Utility Retail Savings Target (MWh)	Percent of Annual Target Achieved
Annual Energy Savings (MWh)	5,458	14,314	6,044	9,834,156	0.1%	33,017	43%
Lifetime Savings (MWh)	47,496	93,542	52,355				
Annual Demand Savings (MW)	1.260	4.160	1.424				
Low/Moderate-Income Lifetime Savings (MWh) ⁵	305	4,560	1,672				
Small Commercial Lifetime Savings (MWh) ⁶	12,312	22,479	13,433				

¹ Calculated savings at the retail (customer meter) level. Savings are estimated from participation counts and TRM calculations, where applicable.

² Encompasses all ex-ante savings for plan year, including prior period adjustments.

³ Wholesale savings at the gross wholesale level include retail savings plus marginal line losses, using approved line loss factor in utility’s tariff grossed up by 1.5, pursuant to the Avoided Cost Methodology in the New Jersey Cost Test.

⁴ Includes sales as reported on the Federal Energy Regulatory Commission’s Form-1, as adjusted for the given sales period (planning year).

⁵ Low/Moderate-Income lifetime savings are the total of Comfort Partners or any income-qualified Residential or Multi-Family program.

⁶ Small Commercial lifetime savings are Direct Install program savings and those from C&I small business customers (<200 kW peak demand) in other programs.

Sector-Level Participation, Expenditures, and Annual Energy Savings

In the third quarter, ACE’s Residential Programs had 8,392 participants across the sector’s programs. Program start-up efforts and coordination to align systems and marketing collateral with other New Jersey utilities continues to have a downward effect on the ramp-up to full scale implementation. The delayed development of platforms also impacted some programs’ ability to capture customer participation, such as Lighting, Appliances and HPwES. These participants will be captured and reported in subsequent quarterly updates.

The Efficient Products program has had significant participation since the subprograms launched, despite some programmatic challenges and seasonality of each subprogram. The Company anticipates that the Lighting subprogram will see increased activity once retailers catch up on processing rebates at the end of the calendar year. Additionally, lighting sales are also expected to increase during the third and fourth quarters because of seasonal trends. Finally, in Q3,

the Company established a relationship with the Food Bank of South Jersey to distribute energy efficiency kits throughout the ACE territory beginning in Q4.

Appliances and HVAC subprograms continue to be impacted by supply chain issues. Customers are experiencing long waits for appliance delivery due to the chip shortage which reduced the availability of high-efficiency HVAC equipment available for installation. This issue has carried over into Q3 with the backlog of purchases working through the fulfillment process. Appliance recycling typically experiences a seasonal decline in participation during the Q3 timeframe, due to program ramp-up in Q1 and limited marketing. A bill-insert marketing campaign was launched in March to encourage customers to recycle their equipment during the second half of the year.

The Existing Homes program, which includes HPwES, Home Weatherization, and QHEC, saw modest participation and/or increased interest in Q3. HPwES completed a handful of projects in Q3 and secured additional pipeline projects. HPwES and Home Weatherization project cycles are lengthier than other program participation, and the Company expects the program will see more activity in the fourth quarters, when the availability of third-party financing is expected. The QHEC program continues to provide useful insights to customers and for some, is a customer's first introduction to ACE's energy efficiency measures.

The Behavioral program reported 226,747 participants, yielding 2,361 MWh in energy savings this quarter, and for year-to-date, the Company reports 8,763 MWhs in energy savings and 1.905 MWs in demand savings.

In the Q3, the Company's C&I programs recorded 34 participants in the Prescriptive/Custom program. The Company noted an increase in customer inquiries and applications that will convert to additional completed projects later in PY22, as a result of trade allies that were onboarded and trained in the new program offerings. In addition, the Company is participating in ongoing efforts to align within Joint Utility Working Groups on the final elements of program design and delivery strategy for comprehensive dual-fuel projects in the SBDI program that are expected to increase interest and participation in that program as the year progresses.

Energy Management and Engineered solutions were the last programs to launch, and historically have the longest sales cycles due to the size and complexity of the projects. ACE expects to see increased interest and participation as market awareness increases in the large customer segment and specialized trade allies familiarize themselves with the new program

structures. As a result of these factors, there were no completed projects or reported savings in Q3 for those two programs.

Table 2 – Quarterly Sector-Level Participation

Sector ¹	Current Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	8,392	14,216	80,557	18%
Multi-Family	0	0	1,060	0%
C&I	34	50	95,204	0%
Reported Totals for Utility Admin	8,426	14,266	176,821	8%
Comfort Partners ²	105	325	547	59%
Utility Total	8,531	14,591	177,368	8%

¹ Note that these numbers are totals across all programs within a sector. The appendix shows the participation numbers for individual programs. Participation from merger-funded programming is omitted from these values.

² Comfort Partners, the primary program serving low-income customers, is co-managed by the BPU's Division of Clean Energy in conjunction with ACE and the other investor-owned electric and gas utility companies.

³ The participant definition for the Prescriptive/Custom component of the Energy Solutions for Business program as agreed upon by the joint utilities represents the count of projects while the forecast established in ACE's filed plan represents the count of measures.

ACE Portfolio Expenditures

During this reporting period, ACE's Residential Programs spent \$1.135 million across all cost categories and ACE's C&I programs recorded approximately \$1.656 million in total expenditures across all programs. Most the ACE's expended resources were focused on the continued ramp-up of program coordination, which largely translates to administration costs, as well as incentives for programs that experienced activity. Marketing efforts continued including website development, and coordination of forms with other New Jersey utilities. ACE anticipates increased expenditures in the fourth quarter reporting period as programs continue to ramp-up, financing becomes available for customer use, and rebates are delivered to customers.

ACE has been working with the other utilities to ensure continuity of program requirements and incentives. As a result, adjustments were made in the HVAC sub-program to measure eligibility criteria and incentive levels to better align with other utility program offerings. No adjustments were made to program budgets that required Staff notification, Staff approval or Board approval.

Table 3 – Quarterly Sector-Level Expenditures

Expenditures ¹	Current Quarter Expenditures (\$000)	YTD Expenditures (\$000)	Annual Budget Expenditures (\$000)	Percent of Annual Budget
Residential	\$1,135	\$3,169	\$8,307	38%
Multi-Family	\$45	\$103	\$549	19%
C&I	\$1,656	\$3,677	\$6,216	59%
Reported Totals for Utility Administered Programs	\$2,837	\$6,949	\$15,071	46%
Comfort Partners	\$441	\$1,336	\$2,142	62%
Utility Total	\$3,278	\$8,285	\$17,213	48%

¹ Expenditures include rebates, incentives, and loans, as well as program administration costs allocated across programs. Expenditure from merger-funded programming and supportive costs outside portfolio are omitted from these values.

ACE Portfolio Annual Energy Savings

During the third quarter reporting period, the Residential programs generated 3,752 MWh of energy savings through the Efficient Products, QHEC, and Behavioral offerings. The pipeline for the deep retrofit programs such as HPwES and Home Weatherization continues to develop but did not commit any savings during this reporting period.

With respect to C&I programs, at the end of the third quarter reporting period, the Company had recorded 1,706 MWh of energy savings through the Prescriptive/Custom program. The SBDI program saw increased interest as trade allies completed their onboarding and training and continued providing energy assessments to customers. However, as no customers had completed the process, no documented energy savings occurred during this reporting period. Newly onboarded trade allies are working on outreach and customer engagement to build interest for the Engineered Solutions and Energy Management programs.

Table 4 – Quarterly Sector-Level Annual Energy Savings

Annual Energy Savings ¹	Current Quarter Retail (MWh)	YTD Retail (MWh)	Annual Target Retail (MWh)	Percent of Annual Target
Residential	3,752	11,716	10,227	115%
Multi-Family	0	0	968	0%
C&I	1706	2598	21,822	12%
Reported Totals for Utility Administered Programs	5,458	14,314	33,017	43%
Comfort Partners	96	283	N/A	N/A
Utility Total	5,554	14,597	33,017	44%

¹ Annual energy savings represent the total expected annual savings from all energy efficiency measures within each sector and includes savings from merger-funded programming.

Portfolio Expenditures Breakdown

During the third reporting period, ACE continued spending in the cost categories that support planning, development, coordination, contracting, and systems development. These include Capital Costs, Utility Administration, and Outside Services. As new programs mature, ACE anticipates that spending will increase in the cost categories that represent program delivery. Those cost categories include Marketing, Rebates, Loans, Evaluation, Measurement and Verification, and Inspections and Quality Control.

Table 5 – Quarterly Costs and Budget Variances by Category

Total Utility EE/PDR	Quarter Reported (\$000)	YTD Reported (\$000)	Full Year Budget (\$000)	Percent of Budget Spent ²
Capital Costs	\$94	\$782	\$1,750	45%
Utility Administration	\$357	\$1,010	\$592	171%
Marketing	\$537	\$753	\$608	124%
Outside Services	\$1,160	\$3,572	\$2,826	126%
Rebates/Incentives	\$703	\$966	\$8,360	12%
No- or Low-Interest Loans	\$0	\$0	\$1,047	0%
EM&V	\$26	\$26	\$543	5%
Inspections & Quality Control	\$0	\$0	\$295	0%
Utility EE/PDR Total	\$2,877	\$7,109	\$16,021	44%

¹ Categories herein align to ACE's EE plan as approved by the Board.

² While annual budgets are used for informational purposes, the portfolio is managed to a total not-to-exceed amount established by cost category for the full triennial program cycle.

Equity Metrics

During ACE's PY1 Q3, outreach to Overburdened Communities ("OBC") focused on increasing awareness of the ACE portfolio of C&I EE programs among customers and contractors. In-person events, phone calls, and email campaigns were part of an equitable focus on customers and contractors located in the overburdened communities of Atlantic City, Bridgeton, and Millville. Outreach to contractors in an OBC sought to encourage the submission of program applications and to recruit the contractors to become an approved ACE trade ally.

As part of the focus on customers and contractors located in Millville, New Jersey, the Outreach team arranged for ACE's sponsorship of the Greater Millville Chamber of Commerce monthly luncheon held at the New Jersey Motorsports Park's Officer's Club on March 9, 2022. Sponsorship of the event enabled the Outreach team to give a program presentation to approximately 60 attendees at the event. Large portions of Millville are identified by the New Jersey Department of Environmental Protection as being an OBC.

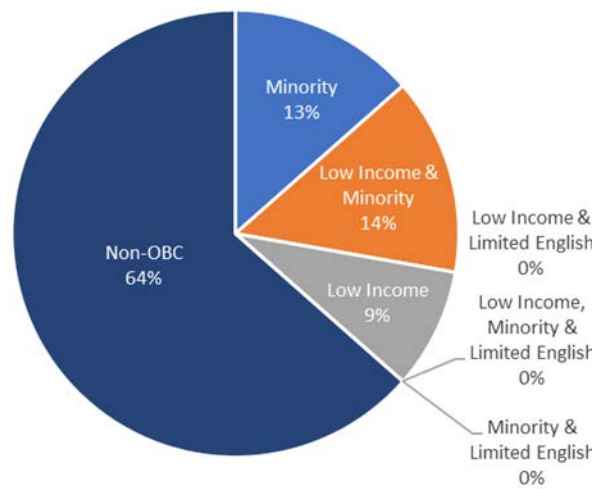
On March 17, 2022, the Outreach team staffed an ACE booth at the Gloucester County Chamber of Commerce – State of the County event, in which the Outreach team engaged with 35 attendees. Gloucester County is home to municipalities such as Paulsboro, Swedesboro, Glassboro, Clayton, and Pitman, which contain large areas identified as OBCs.

As part of a larger campaign to create program awareness among retail food industry businesses, the Outreach team focused on phone calls and email campaigns to retail food establishments in Bridgeton, New Jersey. Following the call and email campaigns, a webinar was held for retail food industry businesses throughout the ACE service territory. The campaign targeted at reaching customers and contractors in Atlantic City resulted in engagement 130 businesses and contractors.

In addition to the various campaigns to support OBCs, the Outreach team has been involved in phone calls, virtual meetings, and email correspondence with customers and contractors located in OBCs about the programs and incentives, application questions, and trade ally information. Marketing efforts have focused on program awareness across all of ACE's service territory including OBCs. Specific marketing activities for OBCs are planned later in the calendar year with email to business in targeted regions.

To date, 50% (six of 12) of approved SBDI trade allies are in an identified OBC, one of which is located in the ACE service territory. Additionally, 50% (eight of 16) of approved Prescriptive and Custom Program trade allies are in an OBC, one of which is located in the ACE service territory. To date, 36.5% of all projects received are in OBCs. The 19 Prescriptive and Custom program projects completed year-to-date in OBCs have been paid a total of \$391,608 in incentives. The following chart demonstrates project breakdown by OBC type.

Equity (Over-Burdened Communities)



Existing Homes Programs

National Churches Residences: *Mission is to provide high quality care, services, and residential communities for seniors of all income levels. (Multifamily Program focus).*

- Provides housing to 30,000 seniors in 340 communities.
- Met with Director Stephen Ebright, who is identifying potential facilities to that could benefit from EE programs.
- The organization can support energy equity by deploying efficiency and energy cost saving programs in their lower income multifamily communities.

Stewards of Affordable Housing for the Future (“SAHF”): *Mission to advance the creation and preservation of healthy, sustainable affordable rental homes that foster equity, opportunity, and wellness for people of limited economic resources. (Touches multiple programs, including Multifamily, Home Weatherization, QHEC.)*

- Collaborative of 12 non-profit affordable housing providers who own more than 149,000 affordable rental homes.
- The organization has been providing contact information for partner organizations that share their mission to serve those with limited income.
- SAFH can support energy equity by ensuring their low-income housing organizations are provided information and opportunity to participate in energy cost savings programs.

Efficient Products

Food Bank of South Jersey: *The Food Bank of South Jersey exists to provide an immediate solution to the urgent problem of hunger by food to people in need, teaching them to eat nutritiously, and helping them find sustainable ways to improve their lives. Since 1985, the Food Bank has distributed over 150 million pounds of food, served one million fresh nutritious meals to vulnerable children, and provided tens of thousands of food boxes with healthy groceries to seniors.*

- ACE has coordinated with its implementation contractor to extend outreach to OBCs with its lighting kit efforts through the Company’s partnership with Food Bank of South Jersey. Efforts originally began in Q2, but due to COVID resurgence and holidays, action related to the partnership was delayed until Q3.
- These efforts, coupled with promotions, coordinated with Dollar Tree and Goodwill partners allows ACE to further reach the low- to -moderate income customers and offer them opportunities to access the Company’s EE programs.
- Distribution for the lighting kits will begin in Q4. The first round will include 4,000 kits for April, 5,000 kits for May, and another 1,000 before the fiscal year ends on June 30th.

Table 6 – Quarterly Equity Performance

Territory-Level Benchmarks	Over-burdened ¹	Non-Over-burdened	Ratio ²
# of Household Accounts	92,577	337,530	0.27
# of Business Accounts	15,416	40,145	0.38
Total Annual Energy (MWh)	2,349,373	4,674,009	0.50

Programs	Sub Program or Offering	Type of Sub Program/Offering	Quarter Over-burdened ¹	Quarter Non-Over-burdened	Ratio ²	YTD Over-burdened	YTD Non-Over-burdened	Ratio
Participation								
Efficient Products	HVAC	Core	16	179	0.09	31	390	0.08
	Appliance Rebates	Core	54	573	0.09	148	2,634	0.06
	Appliance Recycling	Core	19	142	0.13	46	303	0.15
	Online Marketplace	Core	17	159	0.11	26	257	0.10
	Food Banks	Core	0	0	0.00	0	0	0
	Others - Lighting	Core	TBD	TBD	TBD	TBD	TBD	TBD
Existing Homes	Home Performance with Energy Star	Core	0	0	0.00	0	0	0.00
	Quick Home Energy Check-Up	Additional	0	0	0.00	0	0	0.00
	Moderate Income Weatherization	Additional	0	0	0.00	0	0	0.00
Home Energy Education & Management	Behavioral	Additional	0	0	0.00	0	0	0.00
C&I Direct Install	Direct Install	Core	0	0	0.00	0	0	0.00
Energy Solutions for Business	Prescriptive/Custom	Core	11	23	0.48	19	31	0.61
	Energy Management	Additional	0	0	0.00	0	0	0.00
	Engineered Solutions	Additional	0	0	0.00	0	0	0.00
Multi-Family	HPwES	Core	0	0	0.00	0	0	0.00
	Direct Install	Core	0	0	0.00	0	0	0.00
	Prescriptive/Custom	Core	0	0	0.00	0	0	0.00
	Engineered Solutions	Core	0	0	0.00	0	0	0.00
Total Core Participation			117	1,076	0.11	270	3,615	0.07
Total Additional Participation			0	0	0.00	0	0	0.00
Total Participation			117	1,076	0.11	270	3,615	0.07

Programs	Sub Program or Offering	Type of Sub Program/Offering	Quarter Over-burdened ¹	Quarter Non-Over-burdened	Ratio ²	YTD Over-burdened	YTD Non-Over-burdened	Ratio
Annual Energy Savings								
Efficient Products	HVAC	Core	6	76	0.08	9	148	0.06
	Appliance Rebates	Core	10	77	0.13	49	239	0.21
	Appliance Recycling	Core	21	150	0.14	25	364	0.07
	Online Marketplace	Core	3	22	0.14	5	37	0.14
	Food Banks	Core	0	0	0.00	0	0	0.00
	Others - Lighting	Core	TBD	TBD	TBD	TBD	TBD	TBD
Existing Homes	Home Performance with Energy Star	Core	0	0	0.00	0	0	0.00
	Quick Home Energy Check-Up	Additional	0	0	0.00	0	0	0.00
	Moderate Income Weatherization	Additional	0	0	0.00	0	0	0.00
Home Energy Education & Management	Behavioral	Additional	0	0	0.00	0	0	0.00
C&I Direct Install	Direct Install	Core	0	0	0.00	0	0	0.00
Energy Solutions for Business	Prescriptive/Custom	Core	725	981	0.74	1,442	1,156	1.25
	Energy Management	Additional	0	0	0.00	0	0	0.00
	Engineered Solutions	Additional	0	0	0.00	0	0	0.00
Multi-Family	HPwES	Core	0	0	0.00	0	0	0.00
	Direct Install	Core	0	0	0.00	0	0	0.00
	Prescriptive/Custom	Core	0	0	0.00	0	0	0.00
	Engineered Solutions	Core	0	0	0.00	0	0	0.00
Total Core Annual Energy Savings			765	1,306	0.59	1,530	1,944	0.79
Total Additional Annual Energy Savings			0	0	0.00	0	0	0.00
Total Annual Energy Savings			765	1,306	0.59	1,530	1,944	0.79

Programs	Sub Program or Offering	Type of Sub Program/Offering	Quarter Over-burdened ¹	Quarter Non-Over-burdened	Ratio ²	YTD Over-burdened	YTD Non-Over-burdened	Ratio
Lifetime Energy Savings								
Efficient Products	HVAC	Core	89	1,190	0.07	145	2,279	0.06
	Appliance Rebates	Core	108	841	0.13	264	3,976	0.07
	Appliance Recycling	Core	101	721	0.14	239	1,633	0.15
	Online Marketplace	Core	29	193	0.15	40	316	0.13
	Food Banks	Core	0	0	0.00	0	0	0.00
	Others - Lighting	Core	TBD	TBD	TBD	TBD	TBD	TBD
Existing Homes	Home Performance with Energy Star	Core	0	0	0.00	0	0	0.00
	Quick Home Energy Check-Up	Additional	0	0	0.00	0	0	0.00
	Moderate Income Weatherization	Additional	0	0	0.00	0	0	0.00
Home Energy Education & Management	Behavioral	Additional	0	0	0.00	0	0	0.00
C&I Direct Install	Direct Install	Core	0	0	0.00	0	0	0.00
Energy Solutions for Business	Prescriptive/Custom	Core	10,646	14,507	0.73	20,689	17,129	1.21
	Energy Management	Additional	0	0	0.00	0	0	0.00
	Engineered Solutions	Additional	0	0	0.00	0	0	0.00
Multi-Family	HPwES	Core	0	0	0.00	0	0	0.00
	Direct Install	Core	0	0	0.00	0	0	0.00
	Prescriptive/Custom	Core	0	0	0.00	0	0	0.00
	Engineered Solutions	Core	0	0	0.00	0	0	0.00
Total Core Lifetime Energy Savings			10,973	17,452	0.63	21,377	25,333	0.84
Total Additional Lifetime Energy Savings			0	0	0.00	0	0	0.00
Total Lifetime Energy Savings			10,973	17,452	0.63	21,377	25,333	0.84

¹ Across all programs, subprograms, or offerings, participation/expenditures/savings are classified as either in an Environmental Justice Overburdened Community census block or not based on the program participant's address. Overburdened Community census blocks were developed and defined by the New Jersey Department of Environmental Protection (www.nj.gov/dep/ej/communities.html).

² The Ratio column shows the ratio of the overburdened metric over the non-overburdened metric. Comparing the territory-level benchmark ratios versus the program ratios shows how equitable the distribution of the program is between the overburdened and non-overburdened populations. If the program ratio is greater than the benchmark ratio, then the overburdened population is better represented in the program.

³ Accounts included in Household and Business counts are those active immediately preceding the current Plan Year.

⁴ Total Energy Usage is considered for the 12-month period immediately preceding the current Plan Year.

⁵ Exelon Merger-funded programs, Behavioral and Quick Home Energy Check-Up, are excluded from the table above to ensure consistency with joint-utility reporting standards

⁶ Efficient Products Program, Lighting participants will represent sales of products originating from stores located within an OBC. This metric is not intended to identify individual participants who reside in Overburdened Community, but rather the proportion of retail lighting sales stemming from locations serving OBCs aligned to BPU Staff's modifications. This metric can be included in future instances of this table.

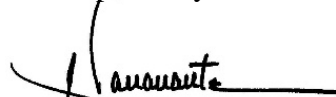
Conclusion

ACE is pleased to provide the above information regarding the performance of the Company's portfolio of energy efficiency programs. ACE looks forward to continued collaboration with Board Staff, Rate Counsel, and other parties to address the challenges noted above.

Consistent with the Order issued by the Board in connection with *In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed with the Secretary of the Board, the Division of Law, and Rate Counsel. No paper copies will follow.

Feel free to contact the undersigned should you have any questions or concerns regarding this report.

Respectfully submitted,



Philip J. Passanante
An Attorney at Law of the
State of New Jersey

Enclosures

cc: Service List

Appendix A

Participants Definitions

NJ Program		Participants (as lead utility)
Efficient Products	HVAC	Sum of HVAC units (multiple units per customer, counts as multiple participants)
	Lighting - Upstream	Quantity of packages sold (based on SKU) - net of returns (negative in current period)
	Rebated Products	Quantity of units rebated (based on SKU)
	Mid-Stream Products	Quantity of units sold (based on SKU) - net of returns (negative in current period)
	Appliance Recycling	Count of visits to premise not units
	Online Marketplace	Quantity of units sold (based on SKU) - net of returns (negative in current period)
	EE Kits - Giveaway	Per kit delivered
	Consumer Electronics	For rebated programs, count of rebate applications For Midstream, every measure is considered a participant - net of returns (negative in current period)
Existing Homes	Home Performance with Energy Star	Count of completed HPwES projects
	Quick Home Energy Checkup	Count of completed visits
	Moderate Income Weatherization	Same as HPwES - (distinction would be paying for audit in this program)
Home Energy Education & Management	Behavioral	Count of treatment customers at end of reporting period
C&I Direct Install	Direct Install	Count based on number of applications/projects completed, not account number
Energy Solutions for Business	Prescriptive/Custom	Count based on number of applications/projects completed, not account number
	Energy Management	Count based on number of applications/projects completed, not account number
	Engineered Solutions	Count based on number of applications/projects completed, not account number
Multifamily	HPwES	Count of completed HPwES projects - Projects are based on the building or could be several buildings (not units within a building) participation is the number of projects completed. A MF site with multiple buildings (e.g. garden apartment) will have multiple projects. Account numbers will need to be collected if measures are done associated with that account.
	Direct Install	Count based on number of projects completed - One to one - Project = participant and based on individual occupant/unit, participation as well as common areas. Account numbers will need to be collected if measures are done associated with that account and to tie to that location.
	Prescriptive/Custom	Count based on number of applications/projects completed, not account number - Projects are based on the MF site /property owner, regardless of # of buildings or occupants. Participation is the number of completed projects.
	Engineered Solutions	Count based on number of applications/projects completed, not account number - Projects are based on the MF site /property owner, regardless of # of buildings or occupants. Participation is the number of completed projects.
	Reporting Template Total	Count based on number of applications/projects completed, not account number

ACE Q3 of Program Year 2022 Portfolio Summary Reporting Table

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q3

	Participation				Actual Expenditures					Ex Ante Energy Savings						
	A	B	C	D=C/B	E	F	G	H=G/F	I	J	K	L=K/J	M	N	O	
	Current Quarter	Annual Forecasted Participation Number	Reported Participation Number YTD	YTD % of Annual Participants	Current Quarter (\$000)	Annual Forecasted Program Costs (\$000) 2	Reported Program Costs YTD (\$000)	YTD % of Annual Budget	Current Quarter Annual Retail Energy Savings (MWh)	Annual Forecasted Retail Energy Savings (MWh)	Reported Annual Retail Energy Savings YTD (MWh)	YTD % of Annual Energy Savings	Current Quarter Annual Wholesale Energy Savings (MWh)	Retail Peak Demand Savings YTD (MW)	Current Quarter Lifetime Retail Energy Savings (MWh)	
Residential Programs	Sub Program or Category¹															
	179	N/A	386	N/A	\$ 100	N/A	\$ 282	N/A	90	N/A	158	N/A	100	0.096	1,489	
Efficient Products*	HVAC	586	N/A	1,363	N/A	\$ 187	N/A	\$ 373	N/A	94	N/A	196	N/A	105	0.023	1,103
	Appliance Rebates	168	N/A	353	N/A	\$ 133	N/A	\$ 323	N/A	200	N/A	383	N/A	224	0.061	974
	Appliance Recycling	270	N/A	413	N/A	\$ 54	N/A	\$ 623	N/A	29	N/A	45	N/A	32	0.002	170
	Online Marketplace	-	N/A	-	N/A	\$ -	N/A	\$ -	N/A	-	N/A	-	N/A	-	-	-
	Food Banks	7,189	N/A	11,701	N/A	\$ 114	N/A	\$ 268	N/A	770	N/A	1,194	N/A	859	0.089	11,556
	Others - Lighting	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	-	-
	8,392	79,922	14,216	17.8%	\$ 587	\$ 4,621	\$ 1,869	40.4%	1,184	9,237	1,975	21.4%	1,320	0.271	15,292	
Existing Homes	Home Performance with Energy Star*	-	190	-	0.0%	\$ 250	\$ 2,025	\$ 601	29.7%	-	424	-	0.0%	-	-	
	Quick Home Energy Check-Up ³	-	285	-	0.0%	\$ 113	\$ 155	\$ 179	115.4%	207	273	978	358.2%	231	0.168	4,690
	Moderate Income Weatherization	-	160	-	0.0%	\$ 185	\$ 1,506	\$ 520	34.6%	-	293	-	0.0%	-	-	
Home Energy Education & Management	Behavioral ¹	-	-	-	N/A	\$ -	\$ -	N/A	2,361	-	8,763	N/A	2,633	3.323	2,361	
Total Residential	8,392	80,557	14,216	17.6%	\$ 1,135	\$ 8,307	\$ 3,169	38.1%	3,752	10,227	11,716	114.6%	4,183	3.762	22,343	
Business Programs	Sub-Program															
C&I Direct Install	Direct Install*	-	45	-	0.0%	\$ 416	\$ 3,222	\$ 1,138	35.3%	-	2,091	-	0.0%	-	-	
Energy Solutions for Business	Prescriptive/Custom**	34	95,134	50	0.1%	\$ 856	\$ 2,569	\$ 1,661	64.7%	1,706	18,930	2,598	13.7%	1,861	0.398	25,153
	Energy Management	-	25	-	0.0%	\$ 142	\$ 297	\$ 321	108.3%	-	801	-	0.0%	-	-	
	Engineered Solutions	-	-	-	N/A	\$ 242	\$ 128	\$ 556	432.9%	-	-	-	#DIV/0!	-	-	
Total Business	34	95,204	50	0.1%	\$ 1,656	\$ 6,216	\$ 3,677	59.2%	1,706	21,822	2,598	11.9%	1,861	0.398	25,153	
Multi-Family*	HPwES	-	N/A	-	N/A	\$ -	N/A	\$ -	N/A	-	N/A	-	N/A	-	-	
	Direct Install	-	N/A	-	N/A	\$ -	N/A	\$ -	N/A	-	N/A	-	N/A	-	-	
	Prescriptive/Custom*	-	N/A	-	N/A	\$ -	N/A	\$ -	N/A	-	N/A	-	N/A	-	-	
	Engineered Solutions	-	N/A	-	N/A	\$ -	N/A	\$ -	N/A	-	N/A	-	N/A	-	-	
	Subtotal Multi-Family	-	1,060	-	0.0%	\$ 45	\$ 549	\$ 103	18.8%	-	968	-	0.0%	-	-	
Other Programs	Home Optimization & Peak Demand Reduction															
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Total Other	-	-	-	N/A	\$ -	\$ -	\$ -	-	-	-	-	N/A	-	-	-	
Portfolio Total	8,426	176,821	14,266	8.1%	\$ 2,837	\$ 15,071	\$ 6,949	46.1%	5,458	33,017	14,314	43.4%	6,044	4.160	47,496	
Supportive Costs Outside Portfolio					\$ 40	\$ 950	\$ 160	16.8%								

- 1 Subprograms provide relevant forecasts as included in the Company's approved EE/PDR Plans. Program delivery elements are generally listed as categories for informational purposes only.
 - 2 Annual Forecasted Program Costs reflect values anticipated in Board-approved Utility EE/PDR proposals and may incorporate budget adjustments as provided for in the June 10, 2020 Board Order.
 - 3 Quick Home Energy Check-Up and Behavioral Program costs in PY1 are supported by merger funding. For consistency with the Company's approved plan, the costs and participation counts for projects funded this way are excluded from the table above. Savings from these programs is included in this report as permitted by the June 10th Board Order.
 - 4 The participant definition for the Prescriptive/Custom component of the Energy Solutions for Business program as agreed upon by the joint utilities represents the count of projects while the forecast established in ACE's filed plan represents the count of measures.
- * Denotes a core EE program. Home Performance with Energy Star only includes non-LMI; the comparable program for LMI participants is Comfort Partners, which is jointly administered by the State and Utilities.

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q3

		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings	
		A	B	C	D	E	F
		Reported Participation Number YTD		Reported Incentive Costs YTD (\$000)		Reported Retail Energy Savings YTD (MWh)	
Residential Programs	Sub Program	LMI	Non-LMI or Unverified	LMI	Non-LMI or Unverified	LMI	Non-LMI or Unverified
Efficient Products	HVAC	-	386	\$ -	\$ 138	-	158
	Food Banks	-	-	\$ -	\$ -	-	-
	Others	-	13,417	\$ -	\$ 183	-	1,773
Existing Homes	Home Performance with Energy Star ¹	-	-	\$ -	\$ -	-	-
	Quick Home Energy Check-Up ²	-	-	\$ -	\$ -	378	599
	Moderate Income Weatherization	-	-	\$ -	\$ -	-	-
Home Energy Education & Management	Behavioral ²	-	-	\$ -	\$ -	-	-
Total Residential		-	13,803	\$ -	\$ 321	378	2,530
Multi-Family	HPwES	-	-	\$ -	\$ -	-	-
	Direct Installation/MF QHEC	-	-	\$ -	\$ -	-	-
Total Multi-Family		-	-	\$ -	\$ -	-	-
Other Programs							
NONE		N/A	N/A	N/A	N/A	N/A	N/A
Total Other		-	-	\$ -	\$ -	-	-
Portfolio Total		-	13,803	\$ -	\$ 321	378	2,530

¹ Income-qualified customers are directed to participate through the Comfort Partners or Moderate-Income Weatherization programs.

² Quick Home Energy Check-Up and Behavioral Program costs in PY1 are supported by merger funding. For consistency with the Company's approved plan, the costs and participation counts for projects funded this way are excluded from the table above. Savings from these programs is included in this report as permitted by the June 10th Board Order.

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q3

		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings	
		A	B	C	D	E	F
		Reported Participation Number YTD		Reported Incentive Costs YTD (\$000)		Reported Annual Retail Energy Savings YTD (MWh)	
Business Programs	Sub-Program	Small Commercial	Large Commercial	Small Commercial	Large Commercial	Small Commercial	Large Commercial
C&I Direct Install	Direct Install	-	-	\$ -	\$ -	-	-
Energy Solutions for Business	Prescriptive/Custom	37	13	\$ 502	\$ 316	1,561	1,037
	Energy Management	-	-	\$ -	\$ -	-	-
	Engineered Solutions	-	-	\$ -	\$ -	-	-
Total Business		37	13	\$ 502	\$ 316	1,561	1,037
Multi-Family	Prescriptive/Custom	-	-	\$ -	\$ -	-	-
	Engineered Solutions	-	-	\$ -	\$ -	-	-
Other Programs							
NONE		N/A	N/A	N/A	N/A	N/A	N/A
Total Other		-	-	\$ -	\$ -	0	-
Portfolio Total		37	13	\$ 502	\$ 316	1,561	1,037
Supportive Costs Outside Portfolio				-	-		