Rockland Electric Company

Margaret Comes
Associate Counsel
Law Department

December 1, 2023

Sherri L. Golden, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

RE: In the Matter of the Petition of Rockland Electric Company for Approval of Its Energy Efficiency and Peak Demand Reduction Programs

Docket No. _____

Dear Secretary Golden:

Enclosed for filing in the above matter on behalf of Rockland Electric Company ("RECO") ("Rockland" or "the Company") is Verified Petition, supporting testimony, and workpapers.

Please note that electronic version of verification page will be submitted on Monday, December 4, 2023

Respectfully submitted,

Margaret Comes
Margaret Comes

c: email service list

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

Service List

BPU
Sherri L. Golden ●
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
P.O. Box 350
Trenton, NJ 08625-0350
sherri.golden@bpu.nj.gov
board.secretary@bpu.nj.gov

Stacy Peterson
Deputy Executive Director
stacy.peterson@bpu.nj.gov

Robert Brabston, Esquire
Executive Director
robert.brabston@bpu.nj.gov

Benjamin Witherell, Ph.D.
Chief Economist
benjamin.witherell@bpu.nj.gov

Jackie O'Grady
Office of the Chief Economist
jackie.ogrady@bpu.nj.gov

Sara Gibson
sara.gibson@bpu.nj.gov

B. Scott Hunter
benjamin.hunter@bpu.nj.gov

Justin Cederberg
justin.cederberg@bpu.nj.gov

Division of Clean Energy
Stacy Ho Richardson, Esquire
Co-Director
stacy.richardson@bpu.nj.gov

Division of Water and Energy
Mike Kammer
Director
Division of Water and Energy
mike.kammer@bpu.nj.gov

Counsel's Office
Michael Beck, Esquire
Chief Counsel
michael.beck@bpu.nj.gov

Carol Artale, Esquire
Deputy Chief Counsel
carol.artale@bpu.nj.gov

Rachel Boylan
rachel.boylan@bpu.nj.gov

Charles Gurkas
Paralegal
charles.gurkas@bpu.nj.gov

Cindy Bianco
cindy.bianco@bpu.nj.gov

Andrew Tuzzo
andrew.tuzzo@bpu.nj.gov

Steven Athanassopoulos, Esquire
steven.athanassopoulos@bpu.nj.gov

Kevin Nedza
kevin.nedza@bpu.nj.gov

DAG
David Apy, Esquire
Assistant Attorney General
Hughes Justice Complex
25 Market Street
P.O. Box 112
Trenton, NJ 08625
david.apy@law.njoag.gov

Daren Eppley, Esquire
Deputy Attorney General
daren.eppley@law.njoag.gov

Pamela L. Owen, Esquire
Deputy Attorney General
pamela.owen@law.njoag.gov

Brandon C. Simmons, Esquire
Deputy Attorney General
brandon.simmons@law.njoag.gov

Matko Ilic, Esquire
Deputy Attorney General
matko.ilic@law.njoag.gov

Steven A. Chaplar, Esquire
Deputy Attorney General
steven.chaplar@law.njoag.gov

RATE COUNSEL
Brian O. Lipman, Esquire
Director
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625-0003
blipman@rpa.nj.gov

Maura Caroselli, Esquire
Deputy Rate Counsel
mcaroselli@rpa.nj.gov

Sarah H. Steindel, Esquire
Assistant Deputy Rate Counsel
ssteinde@rpa.nj.gov

Mamie W. Purnell, Esquire
Division of Rate Counsel
mpurnell@rpa.nj.gov

Carlena Morrison
Paralegal
cmorrison@rpa.nj.gov

Terrence Coleman
Paralegal
tcoleman2@rpa.nj.gov

ACE
Philip J. Passanante, Esquire
Assistant General Counsel
Atlantic City Electric Company
92DC42
500 N. Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
philip.passanante@pepcoholdings.com

Solomon David, Esquire
Assistant General Counsel
Atlantic City Electric Company
solomon.david@exeloncorp.com

Jessica Yu
Atlantic City Electric Company
jessica.yu@exeloncorp.com

Heather Hall
Atlantic City Electric Company
heather.hall@pepcoholdings.com

● Does **not** receive Discovery

Imran Bell
Atlantic City Electric Company
imran.bell@exeloncorp.com

Daniel Anderson
Atlantic City Electric Company
danderson@pepco.com

Ruth Kiselewich
Atlantic City Electric Company
ruth.kiselewich@exeloncorp.com

Andre Cramer
andre.cramer@delmarva.com

Joanne Sheridan
Atlantic City Electric Company
joanne.sheridan@pepcoholdings.com

OTHER

Joseph F. Accardo, Jr., Esquire
PSEG Services Corporation
80 Park Plaza, T10
P.O. Box 570
Newark, NJ 07102
joseph.accardojr@pseg.com

Caitlyn White
PSEG Services Corporation
caitlyn.white@pseg.com

Stacy Mickles, Esquire
PSEG Services Corporation
stacy.mickles@pseg.com

Aaron I. Karp, Esquire
PSEG Services Corporation
aaron.karp@pseg.com

Bernard Smalls
PSEG Services Corporation
bernard.smalls@pseg.com

Kenneth Maloney, Esquire
Cullen and Dykman LLP
PSEG Services Company
One Riverfront Plaza
Newark, NJ 07102
kmaloney@cullenllp.com

Michael J. Martelo, Esquire
FirstEnergy Service Company
300 Madison Avenue
Morristown, NJ 07962-1911
mmartelo@firstenergycorp.com

Margaret Comes, Esquire
Rockland Electric Company
4 Irving Place, Suite 1815-S
New York, NY 10003
comesm@coned.com

John Carley, Esquire
Consolidated Edison
carleyj@coned.com

Andrew K. Dembia, Esquire
New Jersey Natural Gas
1415 Wyckoff Road
P.O. Box 1464
Wall, NJ 07719
adembia@njng.com

Christopher Torkelson, Esquire
Eckert Seamans Cherin & Mellott
Princeton Pike Corporate Center
2000 Lenox Drive, Suite 203
Lawrenceville, NJ 08648
ctorkelson@eckertseamans.com

Katie Guerry
Vice President, Regulatory Affairs
Enel X North America, Inc.
One Marina Park Drive
Boston, MA 02210
katie.guerry@enel.com

Brian Kauffman, Esquire
Regulatory Affairs
Enel X North America, Inc.
brian.kauffman@enel.com

Gregory Geller
Enel X North America, Inc.
gregory.geller@enel.com

Murray E. Bevan, Esquire
Bevan, Mosca & Giuditta P.C.
222 Mount Airy Road, Suite 200
Basking Ridge, NJ 07920
mbevan@bmg.law

Eric Miller
Keystone Energy Efficiency Alliance
14 S. 3rd Street, 2nd Floor
Philadelphia, PA 19106

Steven S. Goldenberg, Esquire
Giordano Halleran & Ciesla, P.A.
125 Half Mile Road, Suite 300
Red Bank, New Jersey 07701
sgoldenberg@ghclaw.com

Lloyd Kass
Lime Energy Company
4 Gateway Center, 4th Floor
100 Mulberry Street
Newark, NJ 07102
lkass@lime-energy.com

Daniel Greenhouse, Esquire
Eastern Environmental Law Center
50 Park Place, Suite 1025
Newark, NJ 07102
dgreenhouse@easternenvironmental.org

William Harla, Esquire
Decotiis, Fitzpatrick, Cole & Giblin, LLP
61 South Paramus Road
Paramus, NJ 07652
wharla@decotiislaw.com

William K. Mosca, Jr., Esquire
Bevan, Mosca & Giuditta P.C.
222 Mount Airy Road, Suite 200
Basking Ridge, NJ 07920
wmosca@bmg.law

Matt Elliott
Executive Director
Keystone Energy Efficiency Alliance
14 S. 3rd Street, 2nd Floor
Philadelphia, PA 19106

Paul F. Forshay, Esquire
Eversheds Sutherland (US) LLP
700 Sixth Street, N.W., Suite 700
Washington, D.C. 20001-3980
paul.forshay@eversheds-southerland.com

Nathan Howe, Esquire
K&L Gates
One Newark Center, Tenth Floor
Newark, New Jersey 07102
nathan.howe@klgates.com

James C. Meyer, Esquire
Riker Danzig
Headquarters Plaza
One Speedwell Avenue
P.O. Box 1981
Morristown, NJ 07962-1981
jmeyer@riker.com

William Bittinger, Esquire
Eastern Environmental Law Center
50 Park Place, Suite 1025
Newark, NJ 07102
wbittinger@easternenvironmental.org

● Does **not** receive Discovery

Karen O. Moury, Esquire
Eckert Seamans Cherin & Mellott
213 Market Street, 8th Floor
Harrisburg, PA 17101
kmoury@eckertseamans.com

Ben Brinkert, Esquire
Philips Lighting North America Corporation
3 Burlington Woods Drive
Burlington, MA 01803
ben.brinkert@signify.com

Alice M. Bergen, Esquire
Decotiis, Fitzpatrick, Cole & Giblin, LLP
Glenpointe Centre West
500 Frank W. Burr Boulevard
Teaneck, NJ 07666
abergen@decotiislaw.com

Beren Argetsinger, Esquire
Keyes & Fox LLP
P.O. Box 166
Burdett, NY 14818
bargetsinger@keyesfox.com

Kristine Marsilio, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
kmarsilio@eckertseamans.com

Ben Adams
MaGrann Associates
701 East Gate Drive, Suite 100
Mount Laurel, NJ 08054
policy@magrann.com

Lauri A. Mazzuchetti, Esquire
Kelley Drye & Warren LLP
One Jefferson Road, 2nd Floor
Parsippany, NJ 07054
lmazzuchetti@kelleydrye.com

Barbara J. Koonz, Esquire
Greenbaum, Rowe, Smith & Davis
75 Livingston Avenue
Roseland, NJ 017068
bkoonz@greenbaumlaw.com

Kerry Cahill, Esquire
Florio Perrucci Steinhardt & Cappelli, LLC
235 Broubalow Way
Phillipsburg, NJ 08865
kcahill@floriolaw.com

Glenn T. Graham, Esquire
Kelley Drye & Warren LLP
One Jefferson Road, 2nd Floor
Parsippany, NJ 07054
ggraham@kelleydrye.com

Ryan J. Scerbo, Esquire
Decotiis, Fitzpatrick, Cole & Giblin, LLP
Glenpointe Centre West
500 Frank W. Burr Boulevard
Teaneck, NJ 07666
rscerbo@decotiislaw.com

● Does **not** receive Discovery

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE IMPLEMENTATION OF P.L. 2018, c. 17 REGARDING THE ESTABLISHMENT OF ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAMS	)	**DOCKET NO. QO19010040**
IN THE MATTER OF THE IMPLEMENTATION OF P.L. 2018, C. 17, THE NEW JERSEY CLEAN ENERGY ACT OF 2018, REGARDING THE SECOND TRIENNIUM OF ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAMS	)	**DOCKET NO. QO23030150**
IN THE MATTER OF ELECTRIC PUBLIC UTILITIES AND GAS PUBLIC UTILITIES OFFERING ENERGY EFFICIENCY AND CONSERVATION PROGRAMS, INVESTING IN CLASS I RENEWABLE ENERGY RESOURCES AND OFFERING CLASS I RENEWABLE ENERGY PROGRAMS IN THEIR RESPECTIVE SERVICE TERRITORIES ON A REGULATED BASIS, PURSUANT TO N.J.S.A. 48:3-98.1 AND N.J.S.A. 48:3-87.9 – MINIMUM FILING REQUIREMENTS	)	**DOCKET NO. QO17091004**
IN THE MATTER OF THE PETITION OF ROCKLAND ELECTRIC COMPANY FOR APPROVAL OF ITS ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAMS	)	**DOCKET NO. _____**

Rockland Electric Company ("RECO," the "Company," or "Petitioner") a corporation of the State of New Jersey, which is subject to the jurisdiction of the Board of Public Utilities ("Board") and which has its principal offices at One Lethbridge Plaza, Suite 32 – Second Floor, Route 17 North, Mahwah, New Jersey 07430, respectfully petitions the Board as follows:

1. Petitioner is engaged in the retail distribution of electric energy and the provision of electric Basic Generation Service for residential, commercial and industrial purposes within the State of New Jersey. The Board has jurisdiction over Petitioner's electric distribution rates pursuant to and accordance with N.J.S.A 48:2-2-1 et. seq. Petitioner provides electric distribution service to approximately 75,000 customers in an area which extends from eastern Bergen County at the Hudson River to western Passaic County and small communities in Sussex County, New Jersey.

2. The rates and charges for electric service furnished by Petitioner and the conditions upon which the same are furnished are set forth in Petitioner's tariff designated B.P.U. No. 3 - Electricity.

3. The Company is filing this Petition as required by the Orders of the New Jersey Board of Public Utilities ("the Board" or "BPU") of May 24, 2023, July 26, 2023, September 27, 2023, and October 25, 2023 in Docket Nos. BPU Docket Nos. QO19010040, QO23030150, and QO17091004 ("Triennium 2 Orders").[1]

4. The Triennium 2 Orders continue the implementation of the Energy Efficiency ("EE") section of the New Jersey Clean Energy Act[2] ("CEA"), which requires each utility to implement energy efficiency measures to reduce electricity usage by 2% and natural gas usage by 0.75%.[3]

5. In the Triennium 2 Orders, the Board required that the New Jersey utilities file petitions on December 1, 2023 proposing EE and Peak Demand Reduction ("PDR")

[1] *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, QO23030150, QO17091004, Orders dated May 24, 2023, July 26, 2023, September 27, 2023, and October 25, 2023 ("Triennium 2 Orders").
[2] P.L. 2018, c. 17, § 3(a) and (e)(1). Codified at *N.J.S.A*. 48:3-87.9.
[3] Codified at *N.J.S.A*. 48:3-98.1.

Programs that achieve energy savings, and required that the filings meet Minimum Filing Requirements. The within filing is the Company's filing in compliance with the Triennium 2 Orders.

6. Pursuant to the CEA, the Company requests a determination of the Company's Petition within 180 days of today's filing. The CEA provides that each utility file annual petition for cost recovery of the programs pursuant to section 13 of P.L.2007, c. 340."[4] ("RGGI Statute") Additionally, the CEA states that the utility petition "shall be determined" by the Board "pursuant to" section 13 of the RGGI Statute.[5]

7. The RGGI Statute requires that the Board issue a decision within 180 days of the utility filing, and states:

> Unless the board issues a written order within 180 days after the filing of the petition approving, modifying or denying the requested recovery, the recovery requested by the utility shall be granted effective on the 181st day after the filing without further order by the board.[6]

8. In this Petition, the Company submits this Energy Efficiency Plan to provide a program plan for the period January 1, 2025 - June 30, 2027 that is consistent with the initiatives described in the Triennium 2 Orders.

Energy Efficiency Plan

9. The programs and initiatives described in this document contain RECO's Core EE and PDR Programs, as well as Additional Utility-Led Initiatives. RECO is proposing eight Core programs and three Additional Utility-Led Initiatives to support New Jersey's ambitious energy efficiency goals and to support the 2019 New Jersey

[4] N.J.S.A. 48:3-87.9e(1).
[5] *Id.*
[6] *N.J.S.A*. 48:3-87.9(b).

Energy Master Plan. The Core programs proposed are: Whole Home, Income-Qualified, Energy Efficient Products, Behavioral, Energy Solutions, C&I Prescriptive & Custom, C&I Direct Install, and Multi-Family Programs. The three Additional Utility-Led Initiatives are the Next Generation Savings, Building Decarbonization, and Demand Response Programs.

10. These programs, proposed to begin implementation in January 2025, are designed to achieve annual energy savings of 9,647 MWh in Program Year 2025, 23,664 MWh in Program Year 2026, and 23,514 MWh in Program Year 2027 and represent 0.64%, 1.57%, and 1.56% of the three-year average of RECO sales for 2020, 2021, and 2022. The anticipated cost of the portfolio of programs is $10,030,382 in Program Year 2025, $22,257,788 in Program year 2026, and $22,634,950 in Program Year 2027. In total, the combined portfolio will achieve 56,825 MWh at a cost of $54,923,120. The NJ Cost Test benefit-to-cost ratio for the combined portfolio, excluding exempt items,[7] is 1.8.

11. RECO's budget request for Utility Administration amount is a total of $3.7M or approximately $1.5M per year. Although this is an increase over RECO's current Triennium 1 Utility Administration budget of approximately $330K per year, it represents the same proportion of the total portfolio budget at approximately 6%. This percentage is aligned with the level of effort needed to administer the expanded programs to achieve the increased targets. More importantly, this Utility Administrative budget will allow RECO to have adequate staffing resources (approximately 10 in total) to manage

[7] Cost items that are exempt from inclusion in the benefit-to-cost ratio assessment include the following: Community-Based-Outreach ("CBO"), Health & Safety (associated with Income-Qualified Program), Workforce Development, Building Decarbonization Program, and Next Generation Savings Program.

the operation of all 11 Core and Additional Utility-Led Initiative Programs and perform all required strategic oversight and implementation including Joint Utility committees and working groups. Furthermore, RECO's first year evaluation identified that additional incremental staffing is required to run these programs successfully.

Description of Core and Additional Utility-Led Initiative Programs

12. The following is a brief description of the the Core and Additional Utility-Led Initiative programs.

Whole Home Program

The Whole Home Program will provide a holistic approach for residential customers to explore and invest in the efficiency and comfort of their homes and includes a Home Energy Assessment ("HEA"). All participants in this program must have an initial energy audit performed directly by a qualified contractor or auditor where simple energy efficiency measures may be installed. That audit will develop an energy efficiency action-plan that includes recommendations for upgrades and available incentives. To ensure the upgrades are accessible to customers, there will be access to low-interest financing.

Income-Qualified Program

The Income-Qualified Program will offer the same products and services as the Whole Home Program to low- and moderate-income customers but requires no customer contribution. Additionally, the program covers the cost for making required health and safety upgrades to components within the home that can be barriers to doing the recommended energy efficiency measures. This program combines the Moderate-Income Weatherization Program and the Comfort Partners Program, which were administered as two separate programs during Triennium 1. The Comfort Partners Program will transition from being a joint State- and Utility-administered program, under the New Jersey Clean Energy Programs portfolio, to being solely administered by each utility. RECO will ensure that all qualified low-income customers will continue to be eligible for the

same level of measures and incentives under the Income-Qualified Program as they were under the Comfort Partners Program.

Energy Efficient Products

The Energy Efficient Products Program will promote the installation of ENERGY STAR and other high-efficiency electric and natural gas equipment by residential customers through a variety of channels, including an online marketplace, downstream rebates to customers (including but not limited to in-store or online), reduced point of sale costs, a midstream or upstream component utilizing a network of trade allies, and in collaboration with local foodbank and non-profit organizations serving customers in need. The program will provide incentives for energy efficient lighting, appliances, electronics, and heating and cooling equipment, as well as other energy efficiency products (e.g. smart thermostats). Measures range in type and price but include both electric and natural gas technologies that improve energy efficiency in the home. The program may include measure opportunities at no up-front cost to engage and introduce customers to energy efficiency and energy savings concepts. Up-front rebates will also be offered to reduce initial costs on some purchases, and access to low-interest financing will be available to further reduce first cost barriers for select products. The program is designed to provide easy and cost-effective access to energy efficient measures through customers' preferred channels and provide a means to encourage customers to take the first steps toward energy-efficiency.

Behavioral Program

The Behavioral Program will provide customers with a home energy report ("HER"). This HER benchmarks a customer's energy usage against their historical usage and similar homes in their area and prompts them to reduce usage through simple energy-savings tips.

Energy Solutions Program

The Energy Solutions Program encourages large commercial and industrial ("C&I") customers to pursue comprehensive energy upgrades within their

facilities by providing incentives toward the cost of conducting an ASHRAE level energy audit and completing the installation of the recommended electric and/or natural gas efficiency measures. The Engineered Solutions subprogram has two tiers for participation: Tier 1 targets large "MUSH" facilities (i.e. municipal, university, school, and hospital buildings) that are sometime overlooked by the contracting market and can benefit from incentives covering the energy audit and reducing the project payback period; Tier 2 targets all other large C&I facilities that have the resources to provide their own energy audit and can benefit from incentives covering a portion of the overall project cost along with project financing.

The Energy Management subprogram helps large C&I customers improve their energy usage performance through incentives that support building operator training and a variety of advanced maintenance practices. These include tune-ups of critical building systems, Retro-Commissioning, Monitoring-Based Commissioning, and Virtual-Commissioning.

C&I Prescriptive & Custom Rebate Program

The C&I Prescriptive & Custom Program will promote the installation of high-efficiency electric and/or natural gas equipment by RECO C&I customers, via the installation of prescriptive or custom measures. The program provides prescriptive and custom/savings based incentives in order to encourage these customers to purchase and install energy efficient products. The program will continue to support the downstream delivery channel to ensure the market is properly supported. The program may also provide midstream or upstream incentives or buydowns and support to manufacturers, distributors, contractors, and retailers that sell select energy efficient products. The rebates will incent energy efficient lighting, appliances, heating and cooling equipment, and food service equipment, among other efficiency measures. Up-front rebates will be offered to reduce initial costs and some purchases may qualify for low to no-interest financing to further reduce first cost barriers. Prescriptive measures are designed to provide easy and cost-effective access to energy efficient measures

through each customer's preferred delivery channel. Custom measures are designed to allow customers to pursue more complex energy efficient technologies and are incentivized based on an engineering estimate of the savings. All custom projects will require a pre- and post-inspection and may be subject to measurement & verification ("M&V") by an independent third-party to validate the energy savings.

C&I Direct Install Program

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

Multi-Family Program

The Multi-Family Program addresses multi-family structures with five or more units. As such, there can be significant variation in the types of structures served under this Program ranging from residential dwellings with five units, to large garden apartment complexes, to multi-story high rise buildings. In order to meet the specific needs of each customer, the Multi-Family Program will provide a structured screening review to identify and develop the project plan for the customer. Potential program services include customer engagement with energy efficiency education through energy assessments, no-cost installation of simple energy saving measures inside dwelling units, prescriptive incentives for standard equipment replacements, and custom incentives for complex efficiency measures or comprehensive retrofit projects. In addition, the Multi-Family Program will provide access to low to no-interest interest financing and enhanced incentives for low income/affordable housing properties.

Next Generation Savings Program

The Next Generation Savings ("NGS") Program will develop critical insights that can help the State with longer term strategies for reaching its clean energy and climate related goals. This program is a key step to gain technical and market understanding on the installation, performance, economic and other considerations for new customer energy-efficiency solutions. NGS will support new technologies and approaches that are ready for broader adoption, but need enhanced contractor training, customer incentives, or other key elements to help the marketplace understand the value proposition and implement the measure. It is critical to establish a program like this to ensure utilities and the state will be in a better position to achieve escalating energy savings targets and get new resources to market in a timely fashion.

Building Decarbonization Program

The Building Decarbonization ("BD") Program is designed to promote the installation of clean heat pump and electrification technologies by residential, multi-family, and C&I customers. The BD program will offer a range of measures and incentives which will cover the following equipment end-uses: space heating

and cooling, water heating, cooking, laundry, and outdoor lawncare. The BD program will build on the experience that RECO has gained from operating its Clean Heat Beneficial Electrification ("CHBE") Pilot Program during Triennium 1. This pilot program is modeled after the New York State Clean Heat Program Framework, including all procedures for determining measure eligibility and computing energy savings.

Demand Response Program

The Demand Response ("DR") Program is designed to encourage customers to make temporary reductions of their electricity usage during peak demand periods during the summer. These periods or events, which can last several hours, typically occur during the hottest days of the year when the electric grid is most under stress due to the high demand for energy. Therefore, the program will target all customer types via the following subprograms. The Bring Your Own Device ("BYOD") program for residential and small commercial customers that are eligible to participate in the Company's C&I Direct Install Program, will remotely control central heat pump and central air conditioning ("AC") equipment through a smart thermostat. The Behavioral DR program will educate and engage residential customers, utilizing data analytics to provide personalized usage and demand history to establish an additional peak shaving resource. The Commercial System Relief Program ("CSRP") will target large commercial customers to pledge a demand reduction capacity and contact them on a day-ahead basis when the day-ahead forecast load approaches RECO's forecasted summer electric system peak. RECO will utilize its AMI infrastructure, which is fully deployed across all customers, to measure the actual demand reduction performance of each of these subprograms. The DR program will build on the experience that RECO has gained from operating its DR Pilot Program during Triennium 1.

Request for Waiver

13. In this Petition the Company is requesting a waiver from continuing to participate in Energy Efficiency-As-A-Resource. Energy Efficiency-As-A-Resource

enables electric Utilities to earn revenue by offering the peak reduction value ("EE Resources") of their expected energy efficiency savings achievements through the Core Programs into the PJM Forward Capacity Market ("FCM"). The May 24th Order advises the electric Utilities to continue to participate in this process during Triennium 2 unless a utility determines that participation is not cost effective, meaning the cost required to obtain the revenues will exceed the revenues obtained. RECO participated in the PJM FCM 2024/2025 Base Residual Auction by nominating 2 MW of EE Resources based on its expected energy efficiency achievements from PJM-qualified measures during Program Year 2023. The clearing price for this resource was $54.95, which will be earned by RECO at the end of the 2024/2025 Delivery Year provided all M&V work is completed that validates the entirety of the nominated value has been achieved in accordance with the requirements of PJM Manuals 18 and 18B. RECO's evaluation vendor is in the process of completing this M&V work, which is expected to cost approximately $200,000 or over 3,000x the expected revenue. For this reason, RECO is seeking a waiver from continuing to participate in this process during Triennium 2.

Budget Adjustment Mechanism

14. For the Triennium 2 energy efficiency period, RECO and the other utilities are proposing a budget adjustment mechanism to address the coordination of utility programs in overlapping, dual-fuel territories. The purpose of the adjustment mechanism is to coordinate utility budgets these territories and eliminate potential budget constraints, such as those experienced during Triennium 1. These budget contraints potentially limit customers' access to energy efficiency programs and the creation of a clean energy economy. The process for managing the budgets in overlapping, dual-fuel territories in

Triennium 1 was inefficient and time-consuming. The proposed mechanism is intended to allow investments to be made in these territories without creating the budget constraints and labor-intensive management of the budgets as experienced in Triennium 1.

15. The budget mechanism proposal addresses the coordination of electric and gas programs in these overlapping, dual-service territories. Pursuant to the proposal, RECO and each utility has developed its own budget for expenditures that it will make in its own and overlapping utility territories (the "Lead Utility") which are designed as part of its overall budget to achieve its energy savings targets. RECO's budget will include costs for the overlapping utility's fuel source to account for savings achieved by installing energy efficiency measures as the Lead Utility. Pursuant to the proposal, RECO's Lead Utility Budget and RECO's Overlappying Utility Budget[8] are as follows:

RECO's Lead Utility Budget = $54,923,120

RECO's Overlapping Utility Budget = $5,977,272

16. Pursuant to this budget mechanism proposal, RECO proposes that it be allowed to recover expenditures in its territory, for its fuel source, based on the expenditures it makes as the Lead Utility as well as the costs billed by overlapping Utilities in delivery of coordinated projects (the "Net Expenditure"). The Net Expenditure includes the total expenditure by RECO less the costs billed to overlapping utilities in delivery of coordinated projects made by RECO in the Partner Utility territory, plus the costs paid to the overlapping utilities in delivery of coordinated projects made by

[8] RECO's Overlapping Utility Budget covers the incentive costs for installed gas measures that RECO will pay to its electric customers who are also Elizabethtown Gas ("ETG") and Public Service Electric and Gas ("PSEG") gas customers. This amount is included within RECO's Lead Utility Budget.

the Partner Utility on RECO's behalf. RECO's actual Net Expenditure may be either higher than or lower than its approved budget as the Lead Utility.

17. Allowing the recovery of the Net Expenditure, rather than just RECO's budget as Lead Utility, ensures that the investment dollars are being recovered from the customers in the utility territory that received the benefit of the investment. This mechanism will eliminate the opportunity for cross-subsidization since the dollars spent and recovered will align with the territory in which the investment was made.

18. The sum of the Net Expenditure of all utilities, will not exceed the total of all utilities' Lead Utility budget, or the "Aggregated Adjusted Utility Budgets."

19. As with the current methodology for investments in overlapping territories, the transfer of funds and energy savings will be managed and accomplished through the established Statewide Coordinator ("SWC") system.

20. Real market conditions can affect the location and magnitude of the demand for energy efficiency programs. Flexibility to adjust to market conditions is necessary for these programs to be successful, especially as the utilities promote comprehensive energy efficiency solutions for customers in overlapping utility territories.

21. RECO requests flexibility in investments which would allow its Net Expenditure to exceed its Lead Utility budget by an amount up to 15% of its budget. Such spending in excess of the Lead Utility's budget will not cause the sum of all utilities' expenditures to exceed the Aggregate Approved Utility Budgets. Therefore, the total of all utilities' recovery will continue to be within the limits of the Aggregate Approved Utility Budgets. RECO's Adjusted Cost Recovery Threshold is as follows:

> RECO's Adjusted Cost Recovery Threshold (i.e., 115% of Lead Utility Budget) = $63,161,588

22. In the event that RECO's Net Expenditure exceeds its Lead Utility Budget by an amount greater than 15% of its budget[9], RECO will send a written notice to Staff and Rate Counsel to request additional cost recovery allowance along with detailed budget and expenditure worksheets. RECO, Staff, and Rate Counsel will meet and confer in good faith to resolve this issue. Furhermore, any budget exceedance is a direct result of incentive payments with associated electric energy savings from RECO market participation which was at a higher rate that currently projected.

23. In the Triennium 2 Orders, the Board adopted limitations[10] on the matter of "Carryover Savings" (energy in excess of the utility's annual compliance goal). RECO recognizes the potential where its very large partner utility, PSEG acting as the Lead utility, could deliver electric energy savings amounting to the entirety of RECO's Triennium 2 compliance target in a single program year. As a result, RECO would have minimal budget remaining to continue operating its programs for the subsequent program year(s) and would need additional funding to continue program offerings for RECO customers. Under the Carryover Savings limitations RECO may not be able to achieve its compliance and QPI targets for the subsequent program year(s), which would result in

[9] RECO is the smallest utility in the State and much of its service territory overlaps with that of PSEG, the largest utility in the State. Since PSEG's Lead Utility Budget may likely be significantly larger than RECO's, there is a greater possibility, compared to all other utilities in the State, that RECO's Adjusted Cost Recovery Threshold could be exceeded.

[10] 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, QO23030150, QO17091004, Order dated July 26, 2023, page 30. Carryover Savings applied to each program year should be limited to no more than 10% of any utility's annual compliance goal based on the savings calculation using the Triennium 2 TRM. Should a utility seek to apply Carryover Savings in excess of 10% of its annual compliance goal, the Carryover Savings shall be adjusted based on information reported in each utility's annual progress report for the applicable year. Such adjustment shall be based on a ratio of the savings reported after application of the primary metric (as defined in Table 1 of the Evaluation Framework cited above) for key measures (as defined by the TRM Committee) compared against the savings reported using the secondary metric used for compliance in that program year.

penalties being applied under the Performance Incentive Mechanism ("PIM") rules[11]. More specifically, this unpredictable acceleration of energy savings achievement may impair RECO's ability to achieve its compliance targets in subsequent years since RECO's energy savings potential is finite. Therefore, RECO is requesting for the Carryover Savings limitations to be waived in regards to electric savings achieved by its partner acting as the Lead utility. Futhermore, if this unpredictable acceleration of energy savings occurs, RECO will fully attribute those savings to all subsequent program year(s) for compliance and QPI targets.

Form of Public Notice

24. RECO, along with the other utilities, has included in its Form of Public Notice an explanatory statement regarding this proposed mechanism. Additionally, RECO will include the actual Net Expenditure as part of its annual rate recovery filings. Notice of an increase in rates, if any, will be provided to customers as part of this annual process.

Minimum Filing Requirements

25. Pursuant to the Triennium 2 Orders, the Company is providing its completed Minimum Filing Requirements as Exhibit 1. Additionally, the Company's proposed, revised tariff leaves are annexed as Appendix A to the Rate Engineering Panel Testimony.

Supporting Testimony and Schedules

26. In support of this filing, the Company submits the Direct Testimony of Charmaine Cigliano who will provide more detailed information about the Company's

[11] *Id., page 27*

proposed EE and PDR programs; the Direct Testimony of the Rate Engineering Panel, which will address the calculation of the Company's proposal to recover the costs of the programs by establishing the Clean Energy Act II component of the Company's existing Regional Greenhouse Gas Initiative ("RGGI") Surcharge, and the Company's proposal to continue recovering lost revenues resulting from its programs through a modified Conservation Incentive Program ("CIP"); the Direct Testimony of the Accounting Panel, which will address the calculation of the Company's revenue requirements for its Core and Additional Utility-Led Initiatives Programs: and, the Direct Testimony of Zachary Froio of Applied Energy Group ("AEG") who performed the benefit-cost analysis ("BCA") of the Company's Core and Additional Utility-Led Initiatives Programs.

27. The following is a list of Attachments to this Petition:

Minimum Filing Requirements Tables

Appendix A – Tariff Pages

Appendix B – Draft Public Notice

Direct Testimony of Charmaine Cigliano, Customer Energy Services

Direct Testimony of Rate Panel

Direct Testimony of Accounting Panel

Direct Testimony of Zachary Froio, Benefit-Cost Analyses

Exhibit 1: T2 EE and PDR Programs Plan

Exhibit RFP-1: Rate Surcharge Calculation and Monthly Billing Comparisons

Exhibits AP-1 thru AP-4: Revenue Requirement and Rate-of-Return Calculations

Exhibit AP-5: Comparative Balance Sheets and Income Statements for 2020-2022

Exhibit AP-6: Journal Entries and Pro-Forma Balance Sheets and Income Statements for 2025-2027

Exhibit AP-7: Consolidated Tax Adjustment Calculation

Work Papers of Charmaine Cigliano, Rate Panel, Accounting Panel[12]

Communications and Correspondence

28. Communications and correspondence related to this Petition should be sent as follows:

Margaret Comes
Associate Counsel
Rockland Electric Company
4 Irving Place 18th Floor
New York, New York 10025
(212) 460-3013
comesm@coned.com

and

John L. Carley, Esq.
Associate General Counsel
Consolidated Edison Company of New York, Inc.
Law Department, Room 1815S
4 Irving Place
New York, NY 10003
carleyj@coned.com

WHEREFORE, Petitioner respectfully requests that the Board consider this matter and issue a decision and order:

1. Deciding the Company's Petition within 180 days of today's filing:

2. Approving the proposed rates and charges for electric service set forth in this Petition and supporting testimony and tariffs as just and reasonable;

[12] The confidential workpapers for the Cost-Benefit model used in the testimony of Zachary Froio will be provided upon execution of a Non-Disclosure Agreement.

3. Approving the proposed revised tariff leaves for inclusion in RECO's Tariff B.P.U. No. 3 – Electricity on and after the effective date of the new rates addressed above; Type text here

4. Waiver from participating in Energy Efficiency-As-A-Resource

5. Providing such other relief as is just and proper.

Respectfully submitted,

ROCKLAND ELECTRIC COMPANY

By Margaret Comes
Margaret Comes
Attorney for Rockland Electric Company

Dated: December 1, 2023

VERIFICATION

STATE OF NEW YORK)
: ss
COUNTY OF ROCKLAND)

Janette Espino, of full age, being duly sworn according to law, on her oath deposes and says

1. I am the Vice President – Customer Service of Rockland Electric Company, the petitioner in the foregoing Petition.

2. I have read the annexed petition, and the matters and things contained therein are true to the best of my knowledge and belief.

Janette Espino

Sworn to and subscribed to
before me this 1st day
of December, 2023.

_____

Minimum Filing Requirements

Rockland Electric Company

Minimum Filing Requirements Tables

Filing Requirement	Location in Filing
I. General Filing Requirements	
a. The utility shall provide a table of contents for each filing.	Exhibit 1
b. The utility shall provide with all filings, information and data pertaining to the specific program proposed, as set forth in applicable sections of N.J.A.C. 14:1-5.11 and N.J.A.C. 14:1-5.12.	Exhibit 1 Sections 2 - 5
c. All filings shall contain information and financial statements for the proposed program(s) in accordance with the applicable Uniform System of Accounts that is set forth in N.J.A.C. 14:1-5.12. The utility shall provide the accounts and account numbers that will be utilized in booking the revenues, costs, expenses, and assets pertaining to each proposed program so that they can be properly separated and allocated from other regulated and/or other programs.	Accounting Panel Direct Testimony and Exhibit 3
d. The utility shall provide supporting explanations, assumptions, calculations, and work papers as necessary for each proposed program and cost recovery mechanism petition filed under N.J.S.A. 48:3-98.1. The utility shall provide electronic copies of such supporting information, with all inputs and formulae intact, where applicable.	Exhibit 1 Appendix B
e. The filing shall include testimony supporting the petition, including all proposed programs.	CES Direct Testimony
f. For any proposed program, the utility shall be subject to the requirements in this and all subsequent Sections. If compliance with Section V and VI of these requirements would not be feasible for a particular program or sub-program, the utility may request an exemption but must demonstrate why such exemption should be granted. Examples of historical situations that have qualified for	Exhibit 1 Sections 4.e, Appendix E

Filing Requirement	Location in Filing
exemption include pilot programs, programs that had an educational or policy goal rather than resource acquisition focus, and programs that introduced novel ideas where documentation supporting estimated costs/benefits may not be easily produced.	
g. If the utility is filing for an increase in rates, charges, etc. or for approval of a program that may increase rates/changes to ratepayers in the future, the utility shall include a draft public notice with the petition and proposed publication dates.	Public Notice
II. Program Description	
a. The utility shall provide a detailed description of each proposed program for which the utility seeks approval, including, if applicable:	
i. Program description/design	Exhibit 1 Sections 3.a
ii. Target market segment – including eligible customers, properties, and measures/services – and eligibility requirements and processes	Exhibit 1 Sections 3.a
iii. Existing incentives	Exhibit 1 Appendix H
iv. Proposed incentive structure or incentive ranges, including incentive payment processes and timeframes	Exhibit 1 Appendix H
v. Customer financing options	Exhibit 1 Section 4.h
vi. Contractor requirements and role: The utility shall provide a description of the extent to which the utility intends to utilize employees, contractors, or both to deliver the program(s). The utility shall also provide a description of contractor requirements, including common application elements and training requirements	Exhibit 1 Sections 3.a
vii. Estimated program participants, by year	Exhibit 1 Appendix A
viii. Projections for energy savings and associated metrics for each program year relative to the quantitative performance indicators in Section VII	Exhibit 1 Appendix A and F
ix. Program budget, by year	Exhibit 1 Appendix B
x. Projected program costs, by year, broken down into the following categories, as applicable: • Capital cost;	Exhibit 1 Appendix B

Filing Requirement	Location in Filing
• Utility administration; • Marketing and outreach; • Outside services; • Incentives (including rebates and low- or no-interest loans); • Inspections and quality control; and • Evaluation. To the extent that the New Jersey Board of Public Utilities ("Board" or "BPU") directs New Jersey's Clean Energy Program ("NJCEP") to report additional categories, the utility shall provide additional categories, as applicable. Any workforce development and job training costs, health and safety costs, and costs of outreach to community-based organizations shall be shown separately.	
b. The utility shall provide the following information about the proposed portfolio:	
i. Quality assurance and control standards and remediation policies: The utility shall provide a detailed description of the process(es) for ensuring the quality of the programs and resolving any customer complaints related to the program(s).	Exhibit 1 Section 4.a
ii. Plan for workforce development and job training partnerships and pipelines for energy efficiency jobs, including for local, underrepresented, and disadvantaged workers. The utility will also provide a description of how the utility plans to engage with and support participation by minority-, women-, and veteran-owned and other underrepresented businesses to ensure equitable access to contracting opportunities under the proposed programs.	Exhibit 1 Section 4.b
iii. Customer access to current and historic energy usage data	Exhibit 1 Section 4.c
iv. Total budget summary, including an annual budget summary and joint budgets with partner utilities	Exhibit 1 Appendix C
v. Benefit-cost analysis (as defined in Section V)	Exhibit 1 Appendix E
vi. The utility shall list its forecasted average cost to achieve each unit of energy savings in each sector.	Exhibit 1 Appendix D

Filing Requirement	Location in Filing
vii. Marketing plan: The utility shall provide a description of where and how the proposed portfolio will be marketed or promoted to the sectors served by the utility's customer base, including coordinated customer outreach on core programs with other utilities. This shall include an explanation of how the specific services, along with prices, incentives, and energy bill savings for the proposed portfolio, will be conveyed to customers, where available and applicable. The marketing plan shall also include a description of any known market barriers that may impact implementation and strategies to address known market barriers.	Exhibit 1 Section 4.d
c. In areas where gas and electric service territories overlap, the utility shall provide a description of the program structure for coordinated, consistent delivery of programs between the utilities and estimated coordinated budgets and allocation of costs and energy savings between the utilities. The utility shall provide a description of how the utilities coordinated their program assumptions and other factors that could influence results for each coordinated program.	Exhibit 1 Section 5
III. Additional Filing Information Applicable Only to Renewable Energy Projects	
a. The utility shall propose the method for treatment of Renewable Energy Certificates ("RECs"), including solar incentives, or any other renewable energy incentive developed by the Board, including Greenhouse Gas Emissions Portfolio and Energy Efficiency Portfolio Standards including ownership and use of the certificate revenue stream(s).	N/A
b. The utility shall also propose the method for treatment of any air emission credits and offsets, including Regional Greenhouse Gas Initiative carbon dioxide allowances and offsets, including ownership and use of the certificate revenue stream(s). For programs that are anticipated to reduce electricity sales in its service territory, the utility shall quantify the expected associated annual savings in REC, solar incentive, and any other renewable energy incentive costs.	N/A

Filing Requirement	Location in Filing
IV. Cost Recovery Mechanism	
a. The utility shall provide appropriate financial data for the proposed program(s), including estimated revenues, expenses, and capitalized investments for each of the first three years of operations and at the beginning and end of each year of the three-year period. The utility shall include pro forma income statements for the proposed program(s) for each of the first three years of operations and actual or estimated balance sheets at the beginning and end of each year of the three-year period.	Accounting Panel Direct Testimony and Exhibit 3
b. The utility shall provide detailed spreadsheets of the accounting treatment of the proposed cost recovery, including describing how costs will be amortized, which accounts will be debited or credited each month, and how the costs will flow through the proposed program cost recovery method.	Accounting Panel Direct Testimony and Exhibit 3
c. The utility shall provide a detailed explanation, with all supporting documentation, of the recovery mechanism it proposes to utilize for cost recovery of the proposed program(s), including proposed recovery through the Societal Benefits Charge, a separate clause established for these programs, base rate revenue requirements, government funding reimbursement, retail margin, and/or other mechanisms.	Rate Engineering Panel Direct Testimony and Exhibit 2
d. The utility's petition for approval, including proposed tariff sheets and other required information, shall be verified as to its accuracy and shall be accompanied by a certification of service demonstrating that the petition was served on the New Jersey Division of Rate Counsel simultaneous to its submission to the Board.	Verified Petition

Filing Requirement	Location in Filing
e. The utility shall provide a rate impact summary by year for the proposed program(s) and a cumulative rate impact summary by year for all approved and proposed programs showing the impact of individual programs, based upon a revenue requirement analysis that identifies all estimated program costs and revenues for each proposed program on an annual basis. Such rate impacts shall be calculated for each customer class. The utility shall also provide an annual bill impact summary by year for each program, and an annual cumulative bill impact summary by year for all approved and proposed programs showing bill impacts on a typical customer for each class.	Rate Engineering Panel Direct Testimony and Exhibit 2
f. The utility shall provide, with supporting documentation, a detailed breakdown of the total costs for the proposed program(s), identified by cost segment, consistent with the program cost categories enumerated in Section II(a)(x). This shall also include a detailed analysis and breakdown and separation of the embedded and incremental costs that will be incurred to provide the services under the proposed program(s), with all supporting documentation. Embedded costs are costs that are provided for in the utility's base rates or through another rate mechanism. Incremental costs are costs associated with or created by the proposed program that are not provided for in base rates or another rate mechanism.	Exhibit 1 Appendix B
g. The utility shall provide a detailed revenue requirement analysis that clearly identifies all estimated annual program costs and revenues for the proposed program(s), including effects upon rate base and pro forma income calculations.	Accounting Panel Direct Testimony and Exhibit 3
h. The utility shall provide, with supporting documentation: (i) a calculation of its current capital structure, as well as its calculation of the capital structure approved by the Board in its most recent electric and/or gas base rate cases, and (ii) a statement as to its allowed overall rate of return approved by the Board in its most recent electric and/or gas base rate cases.	Accounting Panel Direct Testimony and Exhibit 3

Filing Requirement	Location in Filing
i. If the utility is seeking carrying costs for a proposed program, the filing shall include a description of the methodology, capital structure, and capital cost rates used by the utility. A utility seeking performance incentives shall provide all supporting justifications and rationales for the incentives, along with supporting documentation, assumptions, and calculations. Utilities that have approved rate mechanisms or incentive treatment from previous cases and are not seeking a modification of such treatment through the current filing are not subject to this requirement.	Accounting Panel Direct Testimony and Exhibit 3
V. Benefit-Cost Analysis	
a. The utility shall conduct a benefit-cost analysis of the programs and portfolio using the most recent New Jersey Cost Test, including its most recent avoided cost methodologies, as a primary test. In addition, the utility shall conduct benefit-cost analysis using the Participant Cost Test, Program Administrator Cost Test, Ratepayer Impact Measure Test, Total Resource Cost Test, and Societal Cost Test that assesses all program costs and benefits from a societal perspective i.e., that includes the combined financial costs and benefits realized by the utility and the customer as defined in the then-current version of the California Standard Practice Manual. The utility may also provide any additional benefit-cost analysis that it believes appropriate with supporting rationales and documentation.	Exhibit 1 Appendix E
b. The utility must demonstrate how the results of the tests in Section V(a) support Board approval of the proposed program(s), including how the programs are designed to achieve a benefit-to-cost ratio greater than or equal to 1.0 at the portfolio level when using the New Jersey Cost Test.	AEG Direct Testimony
c. Renewable energy programs, workforce development and job training costs, health and safety measures, and outreach to community-based organizations shall not be subject to a benefit-cost test, but the utility must estimate all direct and indirect benefits	Exhibit 1 Appendix B

Filing Requirement	Location in Filing
resulting from such a proposed program as well as provide the projected costs.	
d. The level of energy and capacity savings shall be calculated using the most recent Technical Reference Manual approved by the Board. To the extent that a protocol does not exist or an alternative protocol is proposed for a filed program, the utility must submit a savings methodology for the program or contemplated measure for approval by the Board.	AEG Direct Testimony
e. For calculation of energy and capacity savings, as well as for cost effectiveness calculations, the utility shall apply the applicable net-to-gross ("NTG") ratio and realization rates provided in the current Technical Reference Manual. To the extent that a NTG value does not exist or an alternative NTG value is proposed for a filed program, the utility must submit a NTG value for the program or contemplated measure for approval by the Board.	AEG Direct Testimony
VI. Evaluation, Measurement, and Verification ("EM&V")	
a. The utility shall describe the methodology, processes, and strategies for monitoring and improving program and portfolio performance related to the utility's targets established pursuant to the Quantitative Performance Indicators ("QPIs") in Section VII. The utility shall confirm that these methodologies, processes, and strategies conform with the current New Jersey EM&V guidance documents and standards. The utility shall also provide an EM&V budget consistent with the current New Jersey EM&V guidance documents and standards.	Exhibit 1 Section 4.e

Filing Requirement	Location in Filing
VII. Quantitative Performance Indicators: Targets	
a. The utility shall file QPI target values based on the metrics applicable to each program year of the three-year program filing cycle.	Exhibit 1 Appendix F
b. The utility shall provide a description of how the proposed portfolio achieves the targets established for each utility pursuant to the QPIs outlined in the BPU's most recent Energy Efficiency Framework Order, as applicable for each program year: 1) Annual Energy Savings 2) Annual Demand Savings 3) Lifetime Energy Savings 4) LMI and OBC Lifetime Energy Savings 5) Small Business Lifetime Energy Savings 6) Cost to Achieve	Exhibit 1 Appendix F
VIII. Reporting Plan	
The utility shall comply with the reporting requirements as outlined in the BPU's most recent Energy Efficiency Framework Order.	
a. Quarterly progress reports: No later than 60 days following the end of each quarter, the utility shall submit a user-friendly, public report in spreadsheet format on the following program-level parameters compared to program projections and goals:: • Annual, lifetime, and peak energy savings • Number of program participants: total, low- to moderate-income, OBC, and small commercial • Program expenditures	Exhibit 1 Section 4.f

Filing Requirement	Location in Filing
b. Annual progress reports: No later than 150 days following the end of each program year, the utility shall submit a user-friendly, public report, with accompanying spreadsheet(s), that includes the same program-level data as those that are included in the quarterly reports. The annual report shall show overall progress and performance of programs that are seasonal or cyclical in nature. In addition, the annual report shall include the following: • A progress/performance narrative that provides an overview of program performance • A narrative about customer participation and incentives paid • The utility program administrator's initial and final benefit-cost test results for the programs and portfolio (as defined in Section V of the MFRs) • Assessment of the portfolio's compliance with the targets established pursuant to the QPIs (addressed in Section VII of the MFRs) • Any proposed changes or additions for the next year or cycle If requested, the utilities shall provide end use, measure level, and/or other program data within 30 days to Staff.	Exhibit 1 Section 4.f
c. Triennial reports: No later than 150 days following the end of the last year of the triennium, the utility shall submit a public report that takes the place of the annual report for that year. This report will be identical to the annual report but will also review the portfolio's data and assess the portfolio's success over the three-year program cycle.	Exhibit 1 Section 4.f

Exhibit [X]

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
I. General Filing Requirements **(NOTE: These MFRs are the same as the Energy Efficiency Program MFRs)**	
a. The utility shall provide a table of contents for each filing.	Exhibit 1
b. The utility shall provide with all filings, information and data pertaining to the specific program proposed, as set forth in applicable sections of N.J.A.C. 14:1-5.11 and N.J.A.C. 14:1-5.12.	Exhibit 1 Sections 2 - 5
c. All filings shall contain information and financial statements for the proposed program(s) in accordance with the applicable Uniform System of Accounts that is set forth in N.J.A.C. 14:1-5.12. The utility shall provide the accounts and account numbers that will be utilized in booking the revenues, costs, expenses, and assets pertaining to each proposed program so that they can be properly separated and allocated from other regulated and/or other programs.	Accounting Panel Direct Testimony and Exhibit 3
d. The utility shall provide supporting explanations, assumptions, calculations, and work papers as necessary for each proposed program and cost recovery mechanism petition filed under N.J.S.A. 48:3-98.1. The utility shall provide electronic copies of such supporting information, with all inputs and formulae intact, where applicable.	Exhibit 1 Appendix B
e. The filing shall include testimony supporting the petition, including all proposed programs.	CES Direct Testimony
f. For any proposed program, the utility shall be subject to the requirements in this and all subsequent Sections. If compliance with Section V and VI of these requirements would not be feasible for a particular program or sub-program, the utility may request an exemption but must demonstrate why such exemption should be granted. Examples of historical situations that have qualified for exemption include pilot programs, programs that had an educational or policy goal rather than resource acquisition focus, and programs that introduced novel ideas where documentation	Exhibit 1 Sections 4.e, Appendix E

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
supporting estimated costs/benefits may not be easily produced.	
g. If the utility is filing for an increase in rates, charges, etc. or for approval of a program that may increase rates/changes to ratepayers in the future, the utility shall include a draft public notice with the petition and proposed publication dates.	Public Notice
II. Program Description **(NOTE: These MFRs are the same as the Energy Efficiency Program MFRs)**	
a. The utility shall provide a detailed description of each proposed program for which the utility seeks approval, including, if applicable:	
i. Program description/design	Exhibit 1 Sections 3.a
ii. Target market segment – including eligible customers, properties, and measures/services – and eligibility requirements and processes	Exhibit 1 Sections 3.a
iii. Existing incentives	Exhibit 1 Appendix H
iv. Proposed incentive structure or incentive ranges, including incentive payment processes and timeframes	Exhibit 1 Appendix H
v. Customer financing options	Exhibit 1 Section 4.h
vi. Contractor requirements and role: The utility shall provide a description of the extent to which the utility intends to utilize employees, contractors, or both to deliver the program(s). The utility shall also provide a description of contractor requirements, including common application elements and training requirements	Exhibit 1 Sections 3.a
vii. Estimated program participants, by year	Exhibit 1 Appendix A
viii. Projections for energy savings and associated metrics for each program year relative to the quantitative performance indicators in Section VII	Exhibit 1 Appendix A and F
ix. Program budget, by year	Exhibit 1 Appendix B
x. Projected program costs, by year, broken down into the following categories, as applicable: • Capital cost; • Utility administration; • Marketing and outreach; • Outside services;	Exhibit 1 Appendix B

Exhibit [X]

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
• Incentives (including rebates and low- or no-interest loans); • Inspections and quality control; and • Evaluation. To the extent that the New Jersey Board of Public Utilities ("Board" or "BPU") directs New Jersey's Clean Energy Program ("NJCEP") to report additional categories, the utility shall provide additional categories, as applicable. Any workforce development and job training costs, health and safety costs, and costs of outreach to community-based organizations shall be shown separately.	
b. The utility shall provide the following information about the proposed portfolio:	
i. Quality assurance and control standards and remediation policies: The utility shall provide a detailed description of the process(es) for ensuring the quality of the programs and resolving any customer complaints related to the program(s).	Exhibit 1 Section 4.a
ii. Plan for workforce development and job training partnerships and pipelines for energy efficiency jobs, including for local, underrepresented, and disadvantaged workers. The utility will also provide a description of how the utility plans to engage with and support participation by minority-, women-, and veteran-owned and other underrepresented businesses to ensure equitable access to contracting opportunities under the proposed programs.	Exhibit 1 Section 4.b
iii. Customer access to current and historic energy usage data	Exhibit 1 Section 4.c
iv. Total budget summary, including an annual budget summary and joint budgets with partner utilities	Exhibit 1 Appendix C
v. Benefit-cost analysis (as defined in Section V)	Exhibit 1 Appendix E
vi. The utility shall list its forecasted average cost to achieve each unit of energy savings in each sector.	Exhibit 1 Appendix D
vii. Marketing plan: The utility shall provide a description of where and how the proposed	Exhibit 1 Section 4.d

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
portfolio will be marketed or promoted to the sectors served by the utility's customer base, including coordinated customer outreach on core programs with other utilities. This shall include an explanation of how the specific services, along with prices, incentives, and energy bill savings for the proposed portfolio, will be conveyed to customers, where available and applicable. The marketing plan shall also include a description of any known market barriers that may impact implementation and strategies to address known market barriers.	
c. In areas where gas and electric service territories overlap, the utility shall provide a description of the program structure for coordinated, consistent delivery of programs between the utilities and estimated coordinated budgets and allocation of costs and energy savings between the utilities. The utility shall provide a description of how the utilities coordinated their program assumptions and other factors that could influence results for each coordinated program.	Exhibit 1 Section 5
III. Additional Filing Information Applicable Only to Renewable Energy Projects (NOTE: These MFRs are the same as the Energy Efficiency Program MFRs)	
a. The utility shall propose the method for treatment of Renewable Energy Certificates ("RECs"), including solar incentives, or any other renewable energy incentive developed by the Board, including Greenhouse Gas Emissions Portfolio and Energy Efficiency Portfolio Standards including ownership and use of the certificate revenue stream(s).	N/A
b. The utility shall also propose the method for treatment of any air emission credits and offsets, including Regional Greenhouse Gas Initiative carbon dioxide allowances and offsets, including ownership and use of the certificate revenue stream(s). For programs that are anticipated to reduce electricity sales in its service territory, the utility shall quantify the expected associated annual savings in REC, solar incentive, and any other	N/A

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
renewable energy incentive costs.	
IV. Cost Recovery Mechanism **(NOTE: These MFRs are the same as the Energy Efficiency Program MFRs)**	
a. The utility shall provide appropriate financial data for the proposed program(s), including estimated revenues, expenses, and capitalized investments for each of the first three years of operations and at the beginning and end of each year of the three-year period. The utility shall include pro forma income statements for the proposed program(s) for each of the first three years of operations and actual or estimated balance sheets at the beginning and end of each year of the three-year period.	Accounting Panel Direct Testimony and Exhibit 3
b. The utility shall provide detailed spreadsheets of the accounting treatment of the proposed cost recovery, including describing how costs will be amortized, which accounts will be debited or credited each month, and how the costs will flow through the proposed program cost recovery method.	Accounting Panel Direct Testimony and Exhibit 3
c. The utility shall provide a detailed explanation, with all supporting documentation, of the recovery mechanism it proposes to utilize for cost recovery of the proposed program(s), including proposed recovery through the Societal Benefits Charge, a separate clause established for these programs, base rate revenue requirements, government funding reimbursement, retail margin, and/or other mechanisms.	Rate Engineering Panel Direct Testimony and Exhibit 2
d. The utility's petition for approval, including proposed tariff sheets and other required information, shall be verified as to its accuracy and shall be accompanied by a certification of service demonstrating that the petition was served on the New Jersey Division of Rate Counsel simultaneous to its submission to the Board.	Verified Petition

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
e. The utility shall provide a rate impact summary by year for the proposed program(s) and a cumulative rate impact summary by year for all approved and proposed programs showing the impact of individual programs, based upon a revenue requirement analysis that identifies all estimated program costs and revenues for each proposed program on an annual basis. Such rate impacts shall be calculated for each customer class. The utility shall also provide an annual bill impact summary by year for each program, and an annual cumulative bill impact summary by year for all approved and proposed programs showing bill impacts on a typical customer for each class.	Rate Engineering Panel Direct Testimony and Exhibit 2
f. The utility shall provide, with supporting documentation, a detailed breakdown of the total costs for the proposed program(s), identified by cost segment, consistent with the program cost categories enumerated in Section II(a)(x). This shall also include a detailed analysis and breakdown and separation of the embedded and incremental costs that will be incurred to provide the services under the proposed program(s), with all supporting documentation. Embedded costs are costs that are provided for in the utility's base rates or through another rate mechanism. Incremental costs are costs associated with or created by the proposed program that are not provided for in base rates or another rate mechanism.	Exhibit 1 Appendix B
g. The utility shall provide a detailed revenue requirement analysis that clearly identifies all estimated annual program costs and revenues for the proposed program(s), including effects upon rate base and pro forma income calculations.	Accounting Panel Direct Testimony and Exhibit 3

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
h. The utility shall provide, with supporting documentation: (i) a calculation of its current capital structure, as well as its calculation of the capital structure approved by the Board in its most recent electric and/or gas base rate cases, and (ii) a statement as to its allowed overall rate of return approved by the Board in its most recent electric and/or gas base rate cases.	Accounting Panel Direct Testimony and Exhibit 3
i. If the utility is seeking carrying costs for a proposed program, the filing shall include a description of the methodology, capital structure, and capital cost rates used by the utility. A utility seeking performance incentives shall provide all supporting justifications and rationales for the incentives, along with supporting documentation, assumptions, and calculations. Utilities that have approved rate mechanisms or incentive treatment from previous cases and are not seeking a modification of such treatment through the current filing are not subject to this requirement.	Accounting Panel Direct Testimony and Exhibit 3
V. Benefit-Cost Analysis	
a. The utility shall conduct a benefit-cost analysis of the programs and portfolio using the most recent New Jersey Cost Test, including its most recent avoided cost methodologies, as a primary test. In addition, the utility shall conduct benefit-cost analysis using the Participant Cost Test, Program Administrator Cost Test, Ratepayer Impact Measure Test, Total Resource Cost Test, and Societal Cost Test that assesses all program costs and benefits from a societal perspective i.e., that includes the combined financial costs and benefits realized by the utility and the customer as defined in the then-current version of the California Standard Practice Manual. The utility may also provide any additional benefit-cost analysis that it believes appropriate with supporting rationales and documentation.	Exhibit 1 Appendix E

Exhibit [X]

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
(NOTE: Same as Energy Efficiency)	
b. The utility must calculate and track the results of the tests in Section V(a) to analyze and improve program design and performance with the goal of having BD Programs for Triennium 3 that achieve a benefit-to-cost ratio greater than or equal to 1.0 when using the New Jersey Cost Test.	Exhibit 1 Section 3.b.ii and Appendix E
c. Renewable energy programs, workforce development and job training costs, health and safety measures, and outreach to community-based organizations shall not be subject to a benefit-cost test, but the utility must estimate all direct and indirect benefits resulting from such a proposed program as well as provide the projected costs. (NOTE: Same as Energy Efficiency)	Exhibit 1 Appendix B
d. The level of energy and capacity savings shall be calculated using the most recent Technical Reference Manual approved by the Board. To the extent that a protocol does not exist or an alternative protocol is proposed for a filed program, the utility must submit a savings methodology for the program or contemplated measure for approval by the Board. (NOTE: Same as Energy Efficiency)	AEG Direct Testimony
e. For calculation of energy and capacity savings, as well as for cost effectiveness calculations, the utility shall apply the applicable net-to-gross ("NTG") ratio and realization rates provided in the current Technical Reference Manual. To the extent that a NTG value does not exist or an alternative NTG value is proposed for a filed	AEG Direct Testimony

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
program, the utility must submit a NTG value for the program or contemplated measure for approval by the Board. (NOTE: Same as Energy Efficiency)	
VI. Evaluation, Measurement, and Verification ("EM&V")	
a. The utility shall describe the methodology, processes, and strategies for monitoring and improving program and portfolio performance related to developing a full program for Triennium 2. The utility shall confirm that these methodologies, processes, and strategies conform with the current New Jersey EM&V guidance documents and standards or propose modifications and additions as needed for BD Programs. The utility shall also provide an EM&V budget consistent with the current New Jersey EM&V guidance documents and standards. Additionally, the utility shall provide information on data transparency. 1. To support any evaluation-related work, data should be provided by the utility or State or their program administrator in full and within four weeks of the request. Time extensions may be approved by Staff if they are received more than a week before the data are due and if a meeting has been held with the Statewide Evaluator team requesting the data to identify if there are adequate substitutes (in the Statewide Evaluator's judgment) for the initially-requested data. Evaluation-related work includes but is not limited to impact, process, net-to-gross, baseline, EUL/RUL, cost-effectiveness, TRM, full load hours, non-energy impacts, market research, surveys, and numerous other evaluation-related analyses. 2. Data delivery must use appropriate secure delivery systems.	Exhibit 1 Sections 3.b.ii and 4.e Exhibit 1 Section 4.f

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
3. Staff will require regular (at least quarterly) reporting on data requests and their fulfilment status (timeliness, completeness, data quality, etc.)	
VII. Quantitative Performance Indicators: Targets	
a. The utility shall file estimated values for each program year for the following metrics: • Site and source energy savings by fuel (MMBtu) • Site and source lifetime energy savings by fuel (MMBtu) • Site and source annual emissions by fuel (CO2e MT) • Site and source lifetime emissions by fuel (CO2e MT) • Net annual peak demand savings by fuel (electricity and natural gas only) (peak MW or peak-day therm) • CO2 emissions impacts by fuel (CO2e MT) • Net CO2 emissions impacts across fuels (CO2e MT) • Levelized cost per metric ton of CO2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO2e impacts) • Number of distributors and contractors engaged in the program • Number of program participants and installations, overall and for LMI • Number and geographic location of installations	Exhibit 1 Appendix G
b. The utility shall provide a description of how the proposed portfolio achieves the estimated outcomes.	Exhibit 1 Appendix A

Exhibit [X]

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
VIII. Reporting Plan **(NOTE: These MFRs are the same as the Energy Efficiency Program MFRs)**	
The utility shall comply with the reporting requirements as outlined in the BPU's most recent Energy Efficiency Framework Order.	
a. Quarterly progress reports: No later than 60 days following the end of each quarter, the utility shall submit a user-friendly, public report in spreadsheet format on the following program-level parameters compared to program projections and goals:: • Annual, lifetime, and peak energy savings • Number of program participants: total, low- to moderate-income, OBC, and small commercial • Program expenditures	Exhibit 1 Section 4.f
b. Annual progress reports: No later than 150 days following the end of each program year, the utility shall submit a user-friendly, public report, with accompanying spreadsheet(s), that includes the same program-level data as those that are included in the quarterly reports. The annual report shall show overall progress and performance of programs that are seasonal or cyclical in nature. In addition, the annual report shall include the following: • A progress/performance narrative that provides an overview of program performance • A narrative about customer participation and incentives paid • The utility program administrator's initial and final benefit-cost test results for the programs and portfolio (as defined in Section V of the MFRs) • Assessment of the portfolio's compliance with the targets established pursuant to the QPIs (addressed in Section VII of the MFRs) • Any proposed changes or additions for the next year or cycle	Exhibit 1 Section 4.f

Exhibit [X]

Minimum Filing Requirements for Building Decarbonization Programs

Filing Requirement	Location in Filing
If requested, the utilities shall provide end use, measure level, and/or other program data within 30 days to Staff.	
c. Triennial reports: No later than 150 days following the end of the last year of the triennium, the utility shall submit a public report that takes the place of the annual report for that year. This report will be identical to the annual report but will also review the portfolio's data and assess the portfolio's success over the three-year program cycle.	Exhibit 1 Section 4.f

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
I. General Filing Requirements **(NOTE: These MFRs are the same as the Energy Efficiency Program MFRs)**	
a. The utility shall provide a table of contents for each filing.	Exhibit 1
b. The utility shall provide with all filings, information and data pertaining to the specific program proposed, as set forth in applicable sections of N.J.A.C. 14:1-5.11 and N.J.A.C. 14:1-5.12.	Exhibit 1 Sections 2 - 5
c. All filings shall contain information and financial statements for the proposed program(s) in accordance with the applicable Uniform System of Accounts that is set forth in N.J.A.C. 14:1-5.12. The utility shall provide the accounts and account numbers that will be utilized in booking the revenues, costs, expenses, and assets pertaining to each proposed program so that they can be properly separated and allocated from other regulated and/or other programs.	Accounting Panel Direct Testimony and Exhibit 3
d. The utility shall provide supporting explanations, assumptions, calculations, and work papers as necessary for each proposed program and cost recovery mechanism petition filed under N.J.S.A. 48:3-98.1. The utility shall provide electronic copies of such supporting information, with all inputs and formulae intact, where applicable.	Exhibit 1 Appendix B
e. The filing shall include testimony supporting the petition, including all proposed programs.	CES Direct Testimony

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
f. For any proposed program, the utility shall be subject to the requirements in this and all subsequent Sections. If compliance with Section V and VI of these requirements would not be feasible for a particular program or sub-program, the utility may request an exemption but must demonstrate why such exemption should be granted. Examples of historical situations that have qualified for exemption include pilot programs, programs that had an educational or policy goal rather than resource acquisition focus, and programs that introduced novel ideas where documentation supporting estimated costs/benefits may not be easily produced.	Exhibit 1 Sections 4.e, Appendix E
g. If the utility is filing for an increase in rates, charges, etc. or for approval of a program that may increase rates/changes to ratepayers in the future, the utility shall include a draft public notice with the petition and proposed publication dates.	Public Notice
II. Program Description	
b. DR Programs	
i. The utility shall provide a detailed description of each proposed program for which the utility seeks approval, including, if applicable:	

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
(1) Program description/design, including: (a) Program kW demand reduction goals and curtailment objective(s); (b) how AMI is employed to signal load demand flexibility and to track curtailment volume, including baseline volume; (c) Release clauses for customers to discontinue program participation. (d) Customer and aggregator access to current and historical energy usage data from smart meters, including available data fields, access rules, and technology standards; and (e) Detailed plan with timelines and planning priorities, addressing: (i) How their proposed second Triennium DR service programs align with DR Guiding Principles; (ii) How to facilitate DERMS deployment & interoperability requirements that can support engagement of and compensation to aggregated grid flexibility resources; and (iii) How the utility plans to work with stakeholders involved in creating an open, portable grid flexibility service model.	Exhibit 1 Section 3.b.iii
(2) Target market segment(s) and their priorities – including: (a) Eligible customers; (b) Measures/services; (c) Eligibility requirements and processes; and (d) Methodology to prioritize the procurement of customers for DR program participation over distribution system investments.	Exhibit 1 Section 3.b.iii

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
(3) Proposed incentives and/or tariffs (a) How demand reduction performance is measured, including data sources and methodology to calculate baseline, definition of turndown events, and capacity savings; (b) Program design and measurement to minimize rebound effects after a turndown event; (c) Incentives structure and ranges for demand reduction performance achieved, including incentive payment processes and timeframes; and (d) Any mutual exclusivity terms that may be needed for avoiding double counting in newly proposed DR programs.	Exhibit 1 Section 3.b.iii and Appendix H
(4) Qualified equipment supported by incentives, such as smart thermostats: (a) Incentives structure and ranges for the equipment, including incentive payment processes and timeframes; and; (b) A description of data and communication standards. If the standard is not an internationally recognized standard, give justification for why.	Exhibit 1 Section 3.b.iii
(5) Capital investments, such as IT hardware and infrastructure to support DR. Such investments may be rate-based, but must be justified in the benefit-cost analysis.	Exhibit 1 Section 3.b.iii
(6) Customer Financing options;	N/A
(7) Contractor requirements and role: The utility shall provide a description of the extent to which the utility intends to utilize employees, contractors, or both to deliver the program(s). The utility shall also provide a description of contractor requirements, including common application elements and training/certification/recertification requirements.	Exhibit 1 Section 3.b.iii

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
(8) Estimated program participants, by market segment each year.	Exhibit 1 Appendix A
(9) Projections for performance metrics for each program year relative to the program's targets or quantitative performance indicators as defined in Section VII.	Exhibit 1 Appendix A and G
(10) Program budget, by year.	Exhibit 1 Appendix B
(11) Projected program costs, by year, broken down into the following categories, as applicable: • Capital cost; • Utility administration; marketing and outreach; • Outside services; incentives (including rebates and low- or no-interest loans); • Inspections and quality control; • Evaluation. To the extent that the Board directs New Jersey's Clean Energy Program ("NJCEP") to report additional categories, the utility shall provide additional categories, as applicable.	Exhibit 1 Appendix B
ii. The utility shall provide a detailed description of each proposed program for which the utility seeks approval, including, if applicable:	
c. The utility shall provide the following information about the proposed Demand Response program(s):	
i. Quality assurance and control standards and remediation policies: The utility shall provide a detailed description of the process(es) for ensuring the quality of the programs and resolving any customer complaints related to the program(s).	Exhibit 1 Section 4.a
ii. Plan for workforce development and job training partnerships and pipelines for Data Transparencyms.	Exhibit 1 Section 4.b

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
iii. Data Transparency (1) To support any evaluation-related work, data should be provided by the utility or state or their program administrator in full and within four weeks of the request. Time extensions may be approved by Staff if they are received more than a week before the data are due and if a meeting has been held with the Statewide Evaluator team requesting the data to identify if there are adequate substitutes (in the Statewide Evaluator's judgment) for the initially-requested data.and (2) Data delivery must use appropriate secure delivery systems. (3) Staff will require regular (at least quarterly) reporting on data requests and their fulfilment status (timeliness, completeness, data quality, etc.).	Exhibit 1 Section 4.f
iv. Customer access to current and historic energy usage data from smart meters, including available data fields, access rules, and technology standards.	Exhibit 1 Section 4.c
v. Total budget summary, including an annual budget summary and joint budgets with partner utilities.	Exhibit 1 Appendix C
vi. Benefit-cost Analysis (as defined in Section V).	Exhibit 1 Appendix E
vii. The utility shall list its forecasted average cost to achieve each unit of capacity and energy savings in each program.	Exhibit 1 Appendix D

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement		Location in Filing
viii.	Marketing plan: The utility shall provide a description of where and how the proposed portfolio will be marketed or promoted to the sectors served by the utility's customer base, including coordinated customer outreach on core programs with other utilities. This shall include an explanation of how the specific services, along with prices, incentives, and energy bill savings for the proposed portfolio, will be conveyed to customers, where available and applicable. The marketing plan shall also include a description of any known market barriers that may impact implementation and strategies to address known market barriers.	Exhibit 1 Section 4.d
ix.	In areas where gas and electric service territories overlap, the utility shall provide a description of the program structure for coordinated, consistent delivery of programs between the utilities and estimated coordinated budgets and allocation of costs and capacity and energy savings between the utilities. The utility shall provide a description of how the utilities coordinated their program assumptions and other factors that could influence results for each coordinated program.	Exhibit 1 Section 5

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
III. Additional Filing Information Applicable Only to DR programs that are integrated with Renewable Energy Projects	
a. The utility shall propose the method for treatment of Renewable Energy Certificates ("RECs"), including solar incentives, or any other renewable energy incentive developed by the Board, including Greenhouse Gas Emissions Portfolio and Energy Efficiency Portfolio Standards including ownership and use of the certificate revenue stream(s). The utility shall also propose the method for treatment of any air emission credits and offsets, including Regional Greenhouse Gas Initiative carbon dioxide allowances and offsets, including ownership and use of the certificate revenue stream(s). For programs that are anticipated to reduce electricity sales in its service territory, the utility shall quantify the expected associated annual savings in REC, solar incentive, and any other renewable energy incentive costs.	N/A
b. The utility shall state how any Net Energy Metering billing treatment would be impacted when a demand response event is called to reduce load behind the meter, specifically for loads that will no longer exceed generation.	N/A
IV. Cost Recovery Mechanism	
a. The utility shall provide appropriate financial data for the proposed program(s), including estimated revenues, expenses, and capitalized investments for each of the first three years of operations and at the beginning and end of each year of the three-year period. The utility shall include pro forma income statements for the proposed program(s) for each of the first three years of operations and actual or estimated balance sheets at the beginning and end of each year of the three-year period.	Accounting Panel Direct Testimony and Exhibit 3

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
b. The utility shall provide detailed spreadsheets of the accounting treatment of the proposed cost recovery, including describing how costs will be amortized, which accounts will be debited or credited each month, and how the costs will flow through the proposed program cost recovery method.	Accounting Panel Direct Testimony and Exhibit 3
c. The utility shall provide a detailed explanation, with all supporting documentation, of the recovery mechanism it proposes to utilize for cost recovery of the proposed program(s), including proposed recovery through the Societal Benefits Charge, a separate clause established for these programs, base rate revenue requirements, government funding reimbursement, retail margin, and/or other mechanisms.	Rate Engineering Panel Direct Testimony and Exhibit 2
d. The utility's petition for approval, including proposed tariff sheets and other required information, shall be verified as to its accuracy and shall be accompanied by a certification of service demonstrating that the petition was served on the New Jersey Division of Rate Counsel simultaneous to its submission to the Board.	Verified Petition
e. The utility shall provide a rate impact summary by year for the proposed program(s) and a cumulative rate impact summary by year for all approved and proposed programs showing the impact of individual programs, based upon a revenue requirement analysis that identifies all estimated program costs and revenues for each proposed program on an annual basis. Such rate impacts shall be calculated for each customer class. The utility shall also provide an annual bill impact summary by year for each program, and an annual cumulative bill impact summary by year for all approved and proposed programs showing bill impacts on a typical customer for each class.	Rate Engineering Panel Direct Testimony and Exhibit 2

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
f. The utility shall provide, with supporting documentation, a detailed breakdown of the total costs for the proposed program(s), identified by cost segment, consistent with the program cost categories enumerated in Section II(a)(x). This shall also include a detailed analysis and breakdown and separation of the embedded and incremental costs that will be incurred to provide the services under the proposed program(s), with all supporting documentation. Embedded costs are costs that are provided for in the utility's base rates or through another rate mechanism. Incremental costs are costs associated with or created by the proposed program that are not provided for in base rates or another rate mechanism. Customer recovered costs is income received from customers or their agents upon exit from the program or conversion to third party operation.	Exhibit 1 Appendix B
g. The utility shall provide a detailed revenue requirement analysis that clearly identifies all estimated annual program costs and revenues for the proposed program(s), including effects upon rate base and pro forma income calculations.	Accounting Panel Direct Testimony and Exhibit 3
h. The utility shall provide, with supporting documentation: (i) a calculation of its current capital structure, as well as its calculation of the capital structure approved by the Board in its most recent electric and/or gas base rate cases, and (ii) a statement as to its allowed overall rate of return approved by the Board in its most recent electric and/or gas base rate cases.	Accounting Panel Direct Testimony and Exhibit 3

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
i. If the utility is seeking carrying costs for a proposed program, the filing shall include a description of the methodology, capital structure, and capital cost rates used by the utility. A utility seeking performance incentives shall provide all supporting justifications and rationales for the incentives, along with supporting documentation, assumptions, and calculations. Utilities that have approved rate mechanisms or incentive treatment from previous cases and are not seeking a modification of such treatment through the current filing are not subject to this requirement.	Accounting Panel Direct Testimony and Exhibit 3
V. Benefit-Cost Analysis	
a. The utility shall conduct a benefit-cost analysis of the programs using the most recent New Jersey Cost Test, including its most recent avoided cost methodologies, as a primary test. In addition, the utility shall conduct benefit-cost analysis using the Participant Cost Test, Program Administrator Cost Test, Ratepayer Impact Measure Test, Total Resource Cost Test, and Societal Cost Test that assesses all program costs and benefits from a societal perspective i.e., that includes the combined financial costs and benefits realized by the utility and the customer as defined in the then-current version of the California Standard Practice Manual. The utility may also provide any additional benefit-cost analysis that it believes appropriate with supporting rationales and documentation.	Exhibit 1 Appendix E
b. The utility must demonstrate how the results of the tests in Section V(a) support Board approval of the proposed program(s), including how the programs are designed to achieve a benefit-to-cost ratio greater than or equal to 1.0 at the portfolio level when using the New Jersey Cost Test.	Exhibit 1 Section 3.b.iii and Appendix E

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
c. Renewable energy programs, workforce development and job training costs, health and safety measures, and outreach to community-based organizations shall not be subject to a benefit-cost test, but the utility must estimate all direct and indirect benefits resulting from such a proposed program as well as provide the projected costs.	Exhibit 1 Appendix B
d. The level of capacity and energy savings shall be calculated using the most recent Technical Reference Manual approved by the Board. To the extent that a protocol does not exist or an alternative protocol is proposed for a filed program, the utility must submit a savings methodology for the program or contemplated measure for approval by the Board.	AEG Direct Testimony
e. For calculation of capacity and energy savings, as well as for cost effectiveness calculations, the utility shall report net impact by applying applicable NTG ratios ("NTG") or some form of "direct to net" measurement. . To the extent that a NTG value does not exist or an alternative NTG value is proposed for a filed program, the utility must submit a NTG value for the program or contemplated measure for approval by the Board.	AEG Direct Testimony

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
VI. Evaluation, Measurement, and Verification ("EM&V")	
The utility shall describe the methodology, processes, and strategies for monitoring and improving program and portfolio performance related to the utility's targets established pursuant to the Reporting Plan for Performance Metrics in Section VII. Demand Response program impact methodology shall clearly define the calculation of baseline consumption and demand reduction volumes. Net-to-gross evaluation methods shall be described if the proposed measurement approach is not inherently "direct-to-net," such as measurement that uses a control group. The utility shall confirm that these methodologies, processes, and strategies conform with the current New Jersey EM&V guidance documents and standards. The utility shall also provide an EM&V budget consistent with the current New Jersey EM&V guidance documents and standards.	Exhibit 1 Sections 3.b.iii and 4.e
VII. Reporting Plan for Performance Metrics	
a. The utility shall file target values based on key performance metrics applicable to each program year of the three-year program filing cycle.	Exhibit 1 Appendix G

Exhibit [X]

Minimum Filing Requirements for Demand Response Programs

Filing Requirement	Location in Filing
b. The utility shall provide a description of how the proposed portfolio achieves the targets established for each utility pursuant to the following performance metrics as applicable for each program year: i. Dollars spent per customer enrolled per $ spent ($/participant) by segment for each proposed program; ii. Dollars spent per capacity enrolled ($/kW) by each segment for each proposed program; iii. Intensity impact (kWh or CO2 during peak event) for each proposed program. The utility shall, based on the program design, define the specific calculation to measure intensity impact; iv. Ratio of number of customer responses to control requests over number of control requests.	Exhibit 1 Appendix G

Appendix A Tariff Pages

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE ("RGGI") SURCHARGE

The RGGI Surcharge shall be applied to the kWh usage on the bills of all customers served under this Schedule. The RGGI Surcharge shall include the costs related to the Company's:

(a) Low Income Audit and Direct Install Energy Efficiency Program ("Low Income Audit II Program");
(b) Low Income Audit and Direct Install Energy Efficiency Program ("Low Income Audit III Program);
(c) Solar Renewable Energy Certificate Program ("SREC Program"), including both the SREC I and SREC II Programs;
(d) Transitional Renewable Energy Certificate Program ("TREC Program");
(e) Successor Solar Incentive Program ("SuSI Program");
(f) Clean Energy Act Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") programs ("Clean Energy Act I Program");
(g) Clean Energy Act Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Triennium programs ("Clean Energy Act II Program"); and
(h) Community Solar Energy Pilot Program ("CSEP Program").

The RGGI Surcharge to be effective on and after the date indicated below shall be set at 0.4922cents per kWh, including sales and use tax ("SUT"). The RGGI Surcharge includes the following rate components:

	RGGI Surcharge Rate Components (Cents per kWh)	
	Excluding SUT	Including SUT
Low Income Audit II Program	0.0295	0.0315
Low Income Audit III Program	(0.0023)	(0.0025)
SREC I Program	0.0282	0.0301
SREC II Program	0.0000	0.0000
TREC Program	0.2005	0.2138
SuSI Program	0.0229	0.0244
Clean Energy Act I Program	0.0505	0.0539
Clean Energy Act II Program	0.1320	0.1410
CSEP Program	0.0000	0.0000
Total RGGI Surcharge	0.4613	0.4922

(Continued)

ROCKLAND ELECTRIC COMPANY
B.P.U. NO. 3 - ELECTRICITY

Revised Leaf No. 58C
Superseding Revised Leaf No. 58C

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE ("RGGI") SURCHARGE (Continued)

(e) SuSI Program

The SuSI Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the SuSI Program component of the following year's RGGI Surcharge. The difference between the actual monthly costs associated with the SuSI Program and actual recoveries through the SuSI Program component of the RGGI Surcharge will be deferred, with interest, for future recovery.

On February 1 of each year, the Company shall file with the Board the SuSI Program component of the RGGI Surcharge to be effective for the twelve-month period commencing the following June 1. The SuSI Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted SuSI Program costs over the twelve-month period commencing the following June 1.

(f) Clean Energy Act I Program

The Clean Energy Act I Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the Clean Energy Act I Program component of the following year's RGGI Surcharge. The difference between the actual monthly revenue requirement associated with the Clean Energy Act I Program EE and PDR programs and actual recoveries through the Clean Energy Act I Program component of the RGGI Surcharge will be deferred, with interest, for future recovery in the case of an under-collection or for future credit in the case of an over-collection. On February 1 of each year, the Company shall file with the Board the Clean Energy Act I Program component of the RGGI Surcharge to be effective for the twelve-month period commencing on the following June 1. The Clean Energy Act I Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted Clean Energy Act I Program EE and PDR programs revenue requirement over the twelve-month period commencing the following June 1.

(Continued)

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE ("RGGI") SURCHARGE (Continued)

(g) Clean Energy Act II Program

The Clean Energy Act II Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected.

Any difference will be included in the Clean Energy Act II Program component of the following year's RGGI Surcharge. The difference between the actual monthly revenue requirement associated with the Clean Energy Act EE and PDR Triennium programs and actual recoveries through the Clean Energy Act II Program component of the RGGI Surcharge will be deferred, with interest, for future recovery in the case of an under-collection or for future credit in the case of an over-collection. The initial Clean Energy Act II Program component of the RGGI Surcharge will become effective on January 1, 2025. Thereafter, on February 1 of each year, the Company shall file with the Board the Clean Energy Act II Program component of the RGGI Surcharge to be effective for the twelve-month period commencing on the following June 1. The Clean Energy Act II Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted Clean Energy Act II Program EE and PDR Triennium programs revenue requirement over the twelve-month period commencing the following June 1.

(h) CSEP Program

The CSEP Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the CSEP Program component of the following year's RGGI Surcharge. The difference between the actual monthly costs (such costs consisting of any incremental costs incurred in the implementation, compliance, and administration of the CSEP Program, including the recovery of customer subscriber credits paid out to participants in the CSEP Program) and actual recoveries through the CSEP Program component of the RGGI Surcharge will be deferred, with interest, for future recovery.

On February 1 of each year, the Company shall file with the Board the CSEP Program component of the RGGI Surcharge to be effective for the twelve-month period commencing the following June 1. The CSEP Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and, beginning with the third year after the initial filing, to provide current recovery of the forecasted CSEP Program costs over the twelve-month period commencing the following June 1.

Interest will be included in the deferred balance for both an over-collection and for an under-collection for each component of the RGGI Surcharge and will be calculated as determined by the Board in its Order dated October 21, 2008 in Docket Number ER08060455.

ROCKLAND ELECTRIC COMPANY
B.P.U. NO. 3 – ELECTRICITY

Revised Leaf No. 58
Superseding Revised Leaf No. 58

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE ("RGGI") SURCHARGE

The RGGI Surcharge shall be applied to the kWh usage on the bills of all customers served under this Schedule. The RGGI Surcharge shall include the costs related to the Company's:

(a) Low Income Audit and Direct Install Energy Efficiency Program ("Low Income Audit II Program");
(b) Low Income Audit and Direct Install Energy Efficiency Program ("Low Income Audit III Program);
(c) Solar Renewable Energy Certificate Program ("SREC Program"), including both the SREC I and SREC II Programs;
(d) Transitional Renewable Energy Certificate Program ("TREC Program");
(e) Successor Solar Incentive Program ("SuSI Program");
(f) Clean Energy Act Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") programs ("Clean Energy Act I Program"); ~~and~~
(g) Clean Energy Act Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Triennium programs ("Clean Energy Act II Program"); and
(h) Community Solar Energy Pilot Program ("CSEP Program").

The RGGI Surcharge to be effective on and after the date indicated below shall be set at 0.4922~~3512~~ cents per kWh, including sales and use tax ("SUT"). The RGGI Surcharge includes the following rate components:

	RGGI Surcharge Rate Components (Cents per kWh)	
	Excluding SUT	Including SUT
Low Income Audit II Program	0.0295	0.0315
Low Income Audit III Program	(0.0023)	(0.0025)
SREC I Program	0.0282	0.0301
SREC II Program	0.0000	0.0000
TREC Program	0.2005	0.2138
SuSI Program	0.0229	0.0244
Clean Energy Act I Program	0.0505	0.0539
Clean Energy Act II Program	0.1320	0.1410
CSEP Program	0.0000	0.0000
Total RGGI Surcharge	~~0.3293~~0.4613	~~0.3512~~0.4922

(Continued)

ROCKLAND ELECTRIC COMPANY
B.P.U. NO. 3 - ELECTRICITY

Revised Leaf No. 58C
Superseding Revised Leaf No. 58C

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE ("RGGI") SURCHARGE (Continued)

(e) SuSI Program

The SuSI Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the SuSI Program component of the following year's RGGI Surcharge. The difference between the actual monthly costs associated with the SuSI Program and actual recoveries through the SuSI Program component of the RGGI Surcharge will be deferred, with interest, for future recovery.

On February 1 of each year, the Company shall file with the Board the SuSI Program component of the RGGI Surcharge to be effective for the twelve-month period commencing the following June 1. The SuSI Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted SuSI Program costs over the twelve-month period commencing the following June 1.

(f) Clean Energy Act I Program

The Clean Energy Act I Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the Clean Energy Act I Program component of the following year's RGGI Surcharge. The difference between the actual monthly revenue requirement associated with the Clean Energy Act I Program EE and PDR programs and actual recoveries through the Clean Energy Act I Program component of the RGGI Surcharge will be deferred, with interest, for future recovery in the case of an under-collection or for future credit~~s~~ in the case of an over-collection. ~~The initial Clean Energy Act component of the RGGI rate will become effective on July 1, 2021. Thereafter, on~~ On February 1 of each year, the Company shall file with the Board the Clean Energy Act I Program component of the RGGI Surcharge to be effective for the twelve-month period commencing on the following June 1. The Clean Energy Act I Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted Clean Energy Act I Program EE and PDR programs revenue requirement over the twelve-month period commencing the following June 1.

(Continued)

GENERAL INFORMATION

No. 34 REGIONAL GREENHOUSE GAS INITIATIVE ("RGGI") SURCHARGE (Continued)

(g) Clean Energy Act II Program

The Clean Energy Act II Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected.

Any difference will be included in the Clean Energy Act II Program component of the following year's RGGI Surcharge. The difference between the actual monthly revenue requirement associated with the Clean Energy Act EE and PDR Triennium programs and actual recoveries through the Clean Energy Act II Program component of the RGGI Surcharge will be deferred, with interest, for future recovery in the case of an under-collection or for future credits in the case of an over-collection. The initial Clean Energy Act II Program component of the RGGI Surcharge will become effective on January 1, 2025. Thereafter, on February 1 of each year, the Company shall file with the Board the Clean Energy Act II Program component of the RGGI Surcharge to be effective for the twelve-month period commencing on the following June 1. The Clean Energy Act II Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and to provide current recovery of the forecasted Clean Energy Act II Program EE and PDR Triennium programs revenue requirement over the twelve-month period commencing the following June 1.

(~~g~~h) CSEP Program

The CSEP Program component of the RGGI Surcharge will be subject to deferred accounting, with interest, and reconciled annually by comparing the actual amounts subject to recovery to the actual amounts collected. Any difference will be included in the CSEP Program component of the following year's RGGI Surcharge. The difference between the actual monthly costs (such costs consisting of any incremental costs incurred in the implementation, compliance, and administration of the CSEP Program, including the recovery of customer subscriber credits paid out to participants in the CSEP Program) and actual recoveries through the CSEP Program component of the RGGI Surcharge will be deferred, with interest, for future recovery.

On February 1 of each year, the Company shall file with the Board the CSEP Program component of the RGGI Surcharge to be effective for the twelve-month period commencing the following June 1. The CSEP Program component of the RGGI Surcharge shall be set to recover any prior period over- or under-recovered balances, including interest, and, beginning with the third year after the initial filing, to provide current recovery of the forecasted CSEP Program costs over the twelve-month period commencing the following June 1.

Interest will be included in the deferred balance for both an over-collection and for an under-collection for each component of the RGGI Surcharge and will be calculated as determined by the Board in its Order dated October 21, 2008 in Docket Number ER08060455.

Appendix B – Draft Public Notice

AS PROPOSED IN FILING OF 12-1-2023

NOTICE TO ROCKLAND ELECTRIC COMPANY CUSTOMERS

Notice of a Filing
and Notice of Public Hearings

IN THE MATTER OF THE IMPLEMENTATION OF P.L. 2018, c. 17 REGARDING THE ESTABLISHMENT OF ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAMS

IN THE MATTER OF THE IMPLEMENTATION OF P.L. 2018, C. 17, THE NEW JERSEY CLEAN ENERGY ACT OF 2018, REGARDING THE SECOND TRIENNIUM OF ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAMS

IN THE MATTER OF ELECTRIC PUBLIC UTILITIES AND GAS PUBLIC UTILITIES OFFERING ENERGY EFFICIENCY AND CONSERVATION PROGRAMS, INVESTING IN CLASS I RENEWABLE ENERGY RESOURCES AND OFFERING CLASS I RENEWABLE ENERGY PROGRAMS IN THEIR RESPECTIVE SERVICE TERRITORIES ON A REGULATED BASIS, PURSUANT TO N.J.S.A. 48:3-98.1 AND N.J.S.A. 48:3-87.9
MINIMUM FILING REQUIREMENTS

IN THE MATTER OF THE PETITION OF ROCKLAND ELECTRIC COMPANY FOR APPROVAL OF ITS ENERGY EFFICIENCY AND PEAK DEMAND REDUCTION PROGRAMS

BPU DOCKET NOS. QO19010040, QO23030150,QO17091004, AND _____

PLEASE TAKE NOTICE that on December 1, 2023 Rockland Electric Company ("RECO" or "Company") filed a Verified Petition and supporting documents with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting approval of the Company's Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Programs (collectively "Program") ("Petition").

On May 24, 2023, July 26, 2023, September 27, 2023, and October 25, 2023 the BPU issued Orders directing the New Jersey public utilities to achieve energy reduction targets set by the BPU and implement EE, PDR, and Building DeCarbonization programs to achieve those energy reduction targets ("Triennium 2 Orders"). The Triennium 2 Orders established penalties for the utilities if the targets are not achieved and incentives if the targets are exceeded, and permitted the utilities to recover the costs of their EE and PDR programs and any revenues lost by the utilities as a result of the utility run EE and PDR programs.

The Company's Petition requests BPU approval to implement nine (9) EE programs, one (1) Building DeCarbonization program, and one (1) Demand Response program. ed to recover approximately $1.1 million for the first year (2021). The Company proposes to recover the costs of the Program from its ratepayers over the 2025 to 2035 time-frame. The Company anticipates that Program costs will be approximately $10,030,382 in the first program year, $22,257,788 in the second program year, and $22,634,950 in the third program year. In total, the combined portfolio will achieve 56,825 MWh at a projected cost of $54,923,120

The Company proposes to recover the costs of the Program through the Clean Energy Act ("CEA") II Program component of the Company's existing Regional Greenhouse Gas Initiative ("RGGI") Surcharge.

RECO and the other NJ utilities are proposing a budget adjustment mechanism to address the coordination of utility programs in overlapping, dual-fuel territories where partner gas utilities are paid for investments that provide energy savings for RECO customers. As a result of this budget mechanism, the total net expenditures recovered by the Company may increase or decrease.

The Company proposes that the initial CEA II Program component of the RGGI Surcharge be set at 0.141 cents per kWh, including SUT.

The effect of the proposed CEA Program component of the Company's existing RGGI Surcharge on typical residential electric bills as of November 1, 2023, if approved by the Board, is illustrated below:

Residential Electric Service				
Typical Average Monthly Bill for customers using 808 kWh per summer month, and 7,800 kWh on an annual basis				
(Includes Sales and Use Tax)				
	Bill Amount		Increase	
	Present (1)	Proposed (2)	Amount	Percent
650 kWh average monthly use	$128.96	$129.88	$0.92	0.71%
925 kWh average monthly use	$187.71	$189.02	$1.31	0.70%
1,500 kWh average monthly use	$310.35	$312.47	$2.12	0.68%

(1) Based upon Basic Generation Service Residential Small Commercial Pricing (BGS-RSCP) and Delivery Rates in effect November 1,2023 and assumes that the customer receives BGS-RSCP service from RECO.
(2) Same as (1) except includes addition of CEA II Program component of the SBC.

Based upon the Company's Petition, the monthly electric bill for a typical residential customer with an average annualized monthly usage of 925 kWh is $187.71. The Clean Energy Act II Program component of the RGGI Surcharge would increase this bill by $1.31 to $189.02 or by 0.70% in the first year. The percentage change applicable to specific customers will vary according to the applicable service classification and the level of the customer's usage.

The Company's Petition is posted on the Company's website at https://www.oru.com/en/nj-rates-tariffs.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 pandemic, virtual public hearings are scheduled for the following date and times so that members of the public may present their views on this matter:

Dates: TBD
Times: TBD

Join by WebEx:
Go To www.webex.com and choose "Join a Meeting" at the top of the web page.
When prompted, use Meeting number TBD and Meeting Password to access the meeting.
-or-
Join by phone:
Dial in: XXX United States Toll Free When prompted, use meeting number XXX to access the meeting. If prompted to provide an attendee ID, you may choose the option in the prompts to allow you to skip this step.

Representatives from the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate via phone in the telephonic public hearing. Members of the public are invited to listen and participate by phone via the above designated telephone number and passcode and may express their views on this Petition. Such comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters or listening devices, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov. The Board will also accept email/written comments. Members of the public may file comments with the Board Secretary, whether via email in PDF or Word format to board.secretary@bpu.nj.gov or through the Board's External Access Portal after obtaining a MyNewJersey Portal ID. Once an account is established, you will need an authorization code, which can be obtained upon request by emailing the Board's IT Helpdesk at BPUITHELPDESK@bpu.nj.gov. Detailed instructions for e-filing can be found on the Board's home page at https://www.nj.gov/bpu/agenda/efiling. Written comments may also be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, Trenton, P.O. Box 350, New Jersey 08625-0350. All comments should include the name of the petition and the docket number. While all comments are given equal consideration and will be made part of the final record of the proceeding, the recommended method for submission of comments is via email or the portal to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic.

The public hearing will continue, if necessary, on such additional dates and times as the Board may designate, to ensure that all interested persons are heard.

ROCKLAND ELECTRIC COMPANY

Direct Testimony – Charmaine Cigliano

ROCKLAND ELECTRIC COMPANY

DIRECT TESTIMONY OF Charmaine Cigliano

Q. Please state your name and business address.

A. My name is Charmaine Cigliano and my business address is 766 West Nyack Road, West Nyack, NY 10994.

Q. By whom are you employed and in what capacity?

A. I am employed by Orange and Rockland Utilities, Inc. ("O&R") as the Director of Energy Services for Orange and Rockland and its utility subsidiary, Rockland Electric Company ("RECO" or the "Company"). My professional and educational background is annexed to the end of my testimony as Attachment A. I have participated in the preparation of testimony and exhibits in rate cases and regulatory proceedings in New York and New Jersey.

SUMMARY OF TESTIMONY

Q. What is the scope of your testimony?

A. I am testifying in support of the Company's proposed Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Programs. The Company is proposing the EE and PDR Programs in compliance with the Board of Public Utilities' Orders Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs, dated May 24, 2023, July 26, 2023, September 27, 2023, and October 25, 2023 in Docket No. Q019010040, Docket No. Q023030150, and Docket No. Q017091004 ("Triennium 2 Orders").

Q. Are you familiar with the Minimum Filing Requirements ("MFR") attached to the Triennium 2 Orders?

A. Yes, I am familiar with the MFR's. In addition, I am specifically familiar with and sponsor the information provided in Exhibit-1 and the Appendices to Exhibit-1 that address the MFR.

Q. Is the Company proposing the Core and Additional Utility-Led Initiative programs required by the Triennium 2 Orders?

A. Yes.

Q. Are the Company's Core programs aligned with the Core programs of the other New Jersey electric and gas utilities?

A. Yes. The Company's Core programs are aligned with the Core programs of the other New Jersey electric and gas utilities. RECO participated in many joint utility ("JU") committees that have been developing these utility Core programs. RECO's Core programs are therefore aligned with the Core programs developed in the JU committees. See Exhibit-1 Section 5 for more information.

Q. What Core programs is the Company proposing?

A. The Company is proposing the following eight CORE programs:

- Whole Home Program
- Income-Qualified Program
- Energy Efficient Products Program
- Behavioral Program
- Energy Solutions Program
- C&I Prescriptive & Custom Program
- C&I Direct Install Program
- Multi-family Program

Q. Is the Company proposing any Additional Utility-Led Initiatives Programs?

A. Yes. The Company is proposing a Next Generation Savings Program, a Building Decarbonization ("BD") Program, and a Demand Response ("DR") Program. The BD Program will promote the installation of heat pumps and other electrification technologies by residential, multifamily, and commercial customers with a range of incentives to promote the conversion from fossil-fuels for multiple energy end-uses including space and water heating, space cooling, cooking, laundry, and outdoor lawncare. The DR Program will encourage customers to make temporary reductions to their electricity usage during peak demand periods during the summer. This will be accomplished through direct load management programs that make use of smart thermostats, day-ahead notifications to residential customers to shed load, and day-ahead notifications that rely on large C&I customers to shed load and measure their performance using AMI metering data. More detailed descriptions of the Company's proposed Core and Additional Utility-Led Initiative Programs are contained in Exhibit -1 Sections 3.a and 3.b.

Q. Will the Company provide customers with current and historical usage data?

A. Yes. RECO customers can access their energy usage data via their online account or request more specialized information using the Green Button Connect or Energy Star Portfolio Manager Benchmarking applications. See Exhibit-1 Section 4.c.

Q. How does the Company intend to market these programs?

A. The Company's marketing plans for each program are set out in Exhibit 1 Section 4.d.

Q. Will the Company offer financing programs for these programs?

A. Yes. Exhibit -1 Section 4.h sets forth the proposed financing for each program.

Q. Is the Company proposing a budget for each program?

A. Yes. Exhibit-1 Appendix B sets out the proposed budget for each program.

Q. Has the Company calculated proposed energy savings for each program?

A. Yes. Exhibit-1 Appendix A sets out the projected participation and energy savings for each program.

Q. Do you sponsor any exhibits as part of your direct testimony?

A. Yes. I am sponsoring Attachment A annexed to this testimony, Exhibit-1, and the Appendices to Exhibit -1.

Q. Does this conclude your testimony?

A. Yes, it does.

Attachment A

Charmaine Cigliano

PROFESSIONAL AND EDUCATIONAL BACKGROUND

I am the Director of Customer Energy Services ("CES") for Orange and Rockland Utilities, Inc. ("Orange and Rockland") in the Customer Service Organization. I received a Bachelor of Science degree from the Binghamton University in 1988 with a double major in Mathematics and Computer Science. My first employment after education was with O&R as an Analyst with the Economic Research Department where I held positions of increasing responsibility. In 1998, as a result of the merger between Consolidated Edison Company of New York, Inc. ("Con Edison") and O&R, I was offered and accepted the position as a Senior Planning Analyst in Con Edison's Electric Forecasting Department. In 1999, I accepted a Senior Planning Analyst position in Con Edison's Rate Engineering Department. In 2000, I returned to O&R as the Customer Information Management System Billing Team Lead and in 2004 I was promoted to the Manager of Retail Access. In 2008, I was promoted to Section Manager - CES and in 2022 I was promoted to the Director of CES. I am a current member and former Board member of the Association for Energy Services Professionals ("AESP"). AESP is a dynamic community of energy efficiency professionals dedicated to advancing the industry through professional development, networking and advocating for a resilient, sustainable energy future in North America. I am also a current member of the Association of Energy Engineers ("AEE"). I have over 34 years of utility experience having developed, implemented, and evaluated energy efficiency and demand response since the inception

of my career along with experience in rate engineering, customer billing, electric and gas sales and revenue forecasting, and retail access. In my current capacity, I am responsible for energy efficiency, demand response, low-income credit, and retail choice programs for Orange and Rockland and Rockland Electric Company. I have represented Orange and Rockland in numerous regulatory proceedings.

Direct Testimony – Rate Panel

ROCKLAND ELECTRIC COMPANY
DIRECT TESTIMONY OF THE
RATE PANEL

Q. Would the members of the Rate Panel ("Panel") please state your names and business addresses.

A. Cheryl Ruggiero and Michael DiGravina, 4 Irving Place, New York, NY 10003.

Q. By whom and in what capacity are you employed?

A. **(Ruggiero)** I am employed by Consolidated Edison Company of New York, Inc. ("Con Edison") where I hold the position of Department Manager of the Orange and Rockland Rate Design section in the Rate Engineering Department.

(DiGravina) I am employed by Con Edison where I hold the position of Senior Rate Analyst in the Orange and Rockland Rate Design section in the Rate Engineering Department.

Q. Please briefly outline your educational and business experience.

A. **(Ruggiero)** In 2000, I graduated from Polytechnic University with a Bachelor of Science degree in Electrical Engineering. In 2009, I graduated from Baruch College with a Master of Business Administration degree in Finance and Investments. I joined Con Edison in 2000 as a Management Intern with rotational assignments in Electric Operations, Engineering Services, and Gas Operations. In July 2001, I accepted a position as Associate Engineer - A in Distribution Engineering. In November 2005, I accepted a position as Senior Analyst in Rate Engineering and since then, I have held positions with increasing responsibility. I was promoted to my current position in March 2013. I have previously testified before the State of New Jersey Board of Public Utilities (the "Board"), the New York Public Service Commission, and the Pennsylvania Public Utility Commission in numerous rate proceedings on behalf of Orange and Rockland

Utilities, Inc. and its subsidiaries, including Rockland Electric Company ("the Company").

(DiGravina) In 1986, I graduated from Rutgers University with Bachelor of Arts degree in Accounting. Prior to joining Con Edison, I worked in the retail industry performing roles in Accounting and Management Information Systems. I began my employment with Con Edison in September 2007 as a Staff Accountant in General Accounting. In June 2013, I accepted a position in the Orange and Rockland Rate Design section in the Rate Engineering Department.

SUMMARY OF TESTIMONY

Q. What is the purpose of your direct testimony in this proceeding?

A. The purpose of our direct testimony is to describe the cost recovery related to the Company's Triennium 2 energy efficiency ("EE") and peak demand response ("PDR") programs being proposed in the Company's Petition in compliance with the Board's Orders Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs, dated May 24, 2023, July 26, 2023, September 27, 2023, and October 25, 2023 in Docket No. Q019010040, Docket No. Q023030150, and Docket No. Q017091004 ("Triennium 2 Orders").

Q. Please identify the exhibits to your direct testimony.

A. There is one exhibit to the Panel's direct testimony:

Exhibit RFP-1 Calculation of Surcharges and Bill Impacts

PROGRAM COST RECOVERY

Q. How will the costs of the Second Triennium EE and PDR programs contained in the Company's Petition be recovered from customers?

A. The Company proposes to establish the Clean Energy Act II Program component of the existing Regional Greenhouse Gas Initiative ("RGGI") Surcharge. The current Clean Energy Act Program component of the RGGI Surcharge, related to Triennium 1, will be renamed to Clean Energy Act I. The Clean Energy Act II Program component of the RGGI Surcharge will be a non-bypassable charge that will be set annually based on the sum of: (1) the Company's forecasted revenue requirement (the calculation of which is detailed in the direct testimony of the Accounting Panel) and any incremental Operation and Maintenance expenses associated with the EE and PDR Programs; and (2) any prior period over- or under-recoveries, including interest. Such quantity will then be divided by the forecast of the Company's kWh deliveries to all customers served under the Company's electric tariff for the annual recovery period. The resulting rate in cents per kWh will then be increased to reflect SUT.

Q. How will any over- or under-collection of revenue be treated?

A. Each month the actual revenue collected through the Clean Energy Act II Program component of the RGGI will be compared to the sum of the month's revenue requirement (the calculation of which is outlined in the direct testimony of the Accounting Panel) and any incremental Operation and Maintenance expenses. The difference will be deferred as a regulatory asset or regulatory liability with an offsetting charge to expense.

A carrying charge will be included in the deferred balance for both an over-collection and for an under-collection. The carrying charge will be calculated as determined by the Board in the October 2008 Order. As discussed above, the interest rate shall be the interest rate based on two-year constant maturity Treasuries as published in the Federal Reserve Statistical Release on the first day of each month (or the closest day thereafter on which rates are published), plus 60 basis points, but not to exceed the Company's overall rate of return. The interest rate will be reset each month.

Q. When do you propose the Clean Energy Act II Program component of the RGGI Surcharge should become effective?

A. We propose the effective date of the initial Clean Energy Act II Program component of the RGGI Surcharge to be January 1, 2025.

Q. When would subsequent filings be made to adjust the Clean Energy Act II Program component of the RGGI Surcharge?

A. The Company proposes to make annual filings as part of the Company's annual RGGI Surcharge filing that is made on or before February 1 of each year. Such filing will reconcile the prior period program year collections versus recoveries and will forecast the revenue requirement for the following program year. The Company would propose an effective date of June 1 for the proposed change to the Clean Energy Act II Program component of the RGGI Surcharge consistent with when other components of the RGGI Surcharge are reset.

Q. What would the initial level of the Clean Energy Act II Program component of the RGGI Surcharge be set at?

A. Based on a Program Year 4 revenue requirement of $2,664,554 for the Triennium 2 EE and PDR Programs as provided by the Accounting Panel, the initial Clean Energy Act II Program component of the RGGI Surcharge will be 0.179 cents per kWh, including SUT.

Q. What impact will the Clean Energy Act II Program component of the RGGI Surcharge have on a typical residential customer's electric bill?

A. At rates effective November 1, 2023, the monthly electric bill for a typical residential customer with an average annualized monthly usage of 925 kWh is $187.71. The Clean Energy Act II Program component of the RGGI Surcharge would increase this bill by $1.66 to $189.02 or by 0.70% in the first year.

Q. Have you calculated what the impact will be for other residential customer usages and for other classes?

A. Yes. Exhibit RFP-1, Schedules 2 - 4 set forth the effects that the proposed rate component will have on the bills of SC Nos. 1, 2, and 7 customers at various levels of consumption for the first three years of the program.

Q. Has the Company proposed any amendments to its electric tariff to implement the Clean Energy Act II Program component of the RGGI Surcharge?

A. Yes. The draft tariff leaves associated with these changes are included in Appendix A to the Company's Petition.

Q. Does this conclude your direct testimony?

A. Yes, it does.

Direct Testimony of Accounting Panel

ROCKLAND ELECTRIC COMPANY
DIRECT TESTIMONY OF
ACCOUNTING PANEL

I. INTRODUCTION

Q. Would the members of the Accounting Panel ("Panel") please state their names and business addresses?

A. Wenqi Wang, 4 Irving Place, New York, NY 10003 and Kevin Lyons, One Blue Hill Plaza, Pearl River, NY 10965.

Q. By whom are you employed, in what capacity, and what are your professional backgrounds and qualifications?

A. **(Wang)** I am employed by Consolidated Edison Company of New York, Inc. ("Con Edison"), an affiliate of Rockland Electric Company ("RECO" or the "Company) where I hold the position of Department Manager of Regulatory Accounting and Revenue Requirements.

(Lyons) I am employed by Orange and Rockland and Rockland Utilities, Inc. ("Orange and Rockland"), the parent company of RECO, where I hold the position of Project Specialist in the O&R Financial Planning and Analysis department.

Q. Please briefly outline your educational and business experience.

A. **(Wang**) In June 1999, I received a Bachelor of Science Degree in Accounting from the University at Albany, State University of New York. I began my employment with Con Edison in July 1999 as a Management Intern. I worked in the Corporate Accounting Department from July 2000 until April 2014, primarily in the General Accounts section starting as a Staff Accountant, then Supervisor and ultimately reaching the Department Manager level. In May

2014, I assumed my current position as Department Manager of Regulatory Accounting and Revenue Requirements..

(Lyons) I received a Bachelor of Science degree in Finance in 1988 from St. Thomas Aquinas College and a Juris Doctorate degree from New York Law School in 1995. In August 2011, I assumed my current position of Project Specialist – Financial Services. From May 2008 through July 2011, I was employed as a Senior Accountant in the Regulatory Filings Department within Con Edison. Prior to joining Con Edison I held a variety of managerial positions in Regulatory, External Reporting and Corporate Accounting at Verizon Communications, Kraft Foods and Realogy Corporation.

II. PURPOSE OF TESTIMONY

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of this testimony is to explain how the Company developed the revenue requirement associated with the energy efficiency ("EE") and peak demand reduction ("PDR") programs proposed in the Company's Petition filed in compliance with the Board of Public Utilities' ("Board") Orders Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs, dated May 24, 2023, July 26, 2023, September 27, 2023, and October 25, 2023 in Docket No. Q019010040, Docket No. Q023030150, and Docket No. Q017091004 ("Triennium 2 Orders"). We also address the following exhibits, all of which were prepared under the Panel's supervision and direction: Exhibits AP-1 through 5.

III. REVENUE REQUIREMENT

Q. Please briefly describe RECO's proposal to recover the costs associated with the Company's EE and PDR Program.

A. RECO is seeking Board approval to recover the revenue requirement associated with certain program costs of the EE and PDR Program through the Clean Energy Act II component of the existing Regional Greenhouse Gas Initiative surcharge ("RGGI") which is further detailed in the direct testimony of the Rate Engineering Panel. The forecasted increase in revenue requirement associated with EE and PDR Program costs for the six months ended June 30, 2025 is $2,086,000, $6,326,000 for the twelve months ended June 30, 2026, $9,075,000 for the twelve months ended June 30, 2027, and totaling $69,758,000 over the life of the underlying assets. The revenue requirement calculation summary is included in Exhibit AP-1.

Q. What are the program cost assumptions used to derive the EE and PDR Program revenue requirement?

A The Company anticipates total program costs of $54,923,000 from January 1, 2025 through June 30, 2027, to be incurred across the eleven EE and PDR Programs described in detail in the Direct Testimony of Charmaine Cigliano. A breakdown of costs by subprogram is included within Exhibit AP-2. Given that the Company does not anticipate incurring capital spending for these programs, all costs are modeled to be deferred as regulatory assets. The Company assumed a ten-year asset life, consistent with the terms articulated in the Order.

Q. How did the Company calculate the EE and PDR Program Rate Base?

A. The EE and PDR Program Rate Base in the filing represents the actual program expenditures recorded as regulatory assets, less accumulated amortization and less associated accumulated deferred income taxes. For purposes of calculating deferred income taxes, the Company assumed a full tax deduction for all regulatory asset expenditures in the year costs are incurred. The Company assumed a mid-year convention for annual program spending being recorded as a regulatory asset. The calculation of rate base is included in Exhibit AP-4. Note that given the number of subprograms being proposed, the Company only included an illustrative calculation of rate base for the cumulative cost of all programs. Calculations by individual subprogram are available upon request.

Q. What is the rate of return that the Company applied to the EE and PDR Program Rate Base?

A. The Company applied a pre-tax weighted average cost of capital to the Program Rate Base using the capital structure and rate of return approved in the Company's last electric base rate case, consistent with the terms of the Company's most recent rate order.[1] The equity portion of the approved rate of return was then adjusted for the effect of federal and state income taxes. The

[1] *I/M/O the Verified Petition of Rockland Electric Company for Approval of Changes in Its Electric Rates, Its Tariff for Electric Service and Its Depreciation Rates; and for Other Relief*, BPU Docket No. ER21050823, Decision and Order Adopting Initial Decision and Stipulation of Settlement (dated December 15, 2021).

Company's calculation of the pre-tax weighted average cost of capital is shown on Exhibit AP-3.

Q. How did the Company calculate the amortization expense associated with the EE and PDR Program?

A. As noted above, the Company calculated the amortization expense associated with the EE and PDR Program using a ten-year asset life for expenditures deferred as regulatory assets in accordance with the Order. This calculation is included in Exhibit AP-4.

Q. Does the revenue requirement include any tax adjustments and, if so, how were they calculated?

A. There are no tax adjustments other than the book/tax timing differences shown in Exhibit AP-4, related to regulatory assets.

Q. How are Operation and Maintenance expenses handled in the calculation of the proposed revenue requirements?

A. Any additional incremental Operation and Maintenance expenses will be expensed and included in RECO's annual cost recovery petition.

Q. Have you provided the detailed calculations supporting the revenue requirement?

A. Yes. The detailed calculations supporting the revenue requirement are set forth in Exhibit AP-4. Due to the size of the calculation, the revenue requirement from 2025 – 2030 is illustrated within the schedule while subsequent years are available and will be provided by the Company

electronically upon request. Revenue requirement calculations by subprogram are also available upon request.

Q. Did the Company include historical financial information as part of this filing?

A. Yes. The Company included comparative balance sheets and income statements for the past three years and a balance sheet as of June 30, 2023, the most recent date available. These are included in Exhibit AP-5, Schedule 1 and AP-5, Schedule 2.

Q. Did the Company include pro forma financial information as part of this filing?

A. Yes. The Company included pro forma balance sheets and income statements for the proposed program for the first three years of operation. Additionally, the Company included summary journal entries to record accounting events related to the proposed programs. These are included in Exhibit AP-6, Schedule 1 and AP-6, Schedule 2.

Q. Did the Company include the Consolidated Tax Adjustment ("CTA") as part of this filing?

A. Yes. The Company included the CTA summary analysis based on the most recent five years (2018 through 2022). This is included as Exhibit AP-7.

Q. Does this conclude your direct testimony?

A. Yes, it does.

Direct Testimony – Zachary Froio

BEFORE THE

NEW JERSEY BOARD OF PUBLIC UTILITIES

ROCKLAND ELECTRIC COMPANY

BPU DOCKET NO. QO19010040,

QO23030150, QO17091004

DIRECT TESTIMONY OF ZACHARY FROIO ON BEHALF OF ROCKLAND ELECTRIC COMPANY

I. INTRODUCTION AND PURPOSE

Q. Please state your name, business address, and title.

A. My name is Zachary Froio, and my business address is 200 Monmouth Street, Suite 280, Red Bank, NJ 07701. I am an Associate Manager at Applied Energy Group ("AEG"), an energy consulting firm.

Q. Please describe your educational background and business experience.

A. My educational background consists of a Bachelor of Arts degree in Economics and Political Science from Rutgers University in 2015. I also obtained a Master of Public Policy degree from Rutgers University in 2018. Over the course of my academic experience, I have had professional internships at energy-related organizations including the New Jersey Division of the Rate Counsel and the New Jersey Department of Environmental Protection.

I have been employed by AEG since 2018, where I have had several roles of increasing responsibility including Analyst, Senior Analyst, Lead Analyst, and now Associate

Manager. I assumed my current position in 2023. Over the past five years, I have gained extensive experience as both a project contributor and manager for a variety of electric and natural gas utility consulting projects, including energy efficiency and demand response cost-effectiveness analyses, demand-side management filings, and energy efficiency baseline and potential studies.

Most recently in 2023 I led the cost-effectiveness analysis of the 2024-2026 Conservation Improvement Program Plan for Minnesota Energy Resources Corporation.

Q. What is the purpose of your testimony in this proceeding?

A. AEG was asked by Rockland Electric Company ("RECO" or the "Company") to perform a benefit-cost analysis ("BCA") as part of its second three-year plan of energy efficiency ("EE") and peak demand reduction ("PDR") programs ("Triennium 2"). Benefit-cost analysis of programs and the portfolio is a minimum filing requirement as set forth in Docket No. Q019010040. RECO is a wholly owned subsidiary of Orange and Rockland Utilities, Inc ("ORU"), and ORU is a wholly owned subsidiary of Consolidated Edison, Inc. ("CEI").

II. SUMMARY OF TESTIMONY

Q. How was cost-effectiveness for RECO's Triennium 2 EE and PDR Plan calculated?

A. The BCA was calculated primarily using the New Jersey Cost Test ("NJCT") in AEG's BenCost model. Cost-effectiveness was also calculated using five other BCA tests for informational purposes.

Q. What were the overall results of the benefit-cost analysis?

A. The benefit-cost analysis found that the RECO EE portfolio is cost-effective with an average NJCT benefit-cost ratio of 1.83 across the three-year period. This NJCT benefit-cost ratio is interpreted that for every $1 spent on EE and PDR by RECO and its customers, $1.83 in benefits

are created.

Q. Do you have exhibits accompanying your testimony?

A. No.

III. TESTS AND ASSUMPTIONS USED IN BENEFIT-COST ANALYSIS

Q. What is the primary benefit-cost test used to evaluate cost-effectiveness for energy efficiency and peak demand reduction programs?

A. On August 24, 2020 the Board of Public Utilities ("Board") issued an order adopting the New Jersey Cost Test ("NJCT") as the primary benefit-cost test for the purposes for evaluating EE and PDR programs proposed and implemented by each New Jersey utility.[1] Subsequently, the Board issued an order updating the NJCT for Triennium 2.[2] The updated NJCT Order describes Staff's recommendations regarding the inputs, values, and methodologies for performing the NJCT.

Q. What are the costs and benefits included in the NJCT?

A. The NJCT Order describes a series of utility system costs, benefits, and non-energy impacts ("NEI") to include in the NJCT benefit-cost analysis.

The costs included in the NJCT are:

- measure incremental costs
- program administration costs

The benefits included in the NJCT are:

- avoided wholesale electric energy costs
- avoided wholesale electric capacity costs
- avoided wholesale electric transmission and distribution ("T&D") costs

[1] New Jersey Board of Public Utilities, Order Adopting the First New Jersey Cost Test. August 24, 2020.
[2] New Jersey Board of Public Utilities, Order Directing the Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs. May 23, 2023.

- avoided wholesale electric ancillary services costs
- avoided wholesale natural gas supply costs
- avoided delivered fuel costs
- electric energy demand reduction induced price effects ("DRIPE")
- electric capacity DRIPE
- natural gas DRIPE

The Non-Energy Impacts ("NEIs") included in the NJCT are:

- Avoided emissions impacts
- Low-income benefits
- Non-energy benefits

In addition to the costs, benefits, and NEIs, the NJCT Order also describes the global inputs that should be used in the NJCT including the discount rate, electric line losses, and natural gas losses.

Q. How were the global inputs associated with the NJCT developed?

A. The NJCT Order includes guidance on the discount rate and the line loss factors to include in the BCA. Consistent with the NJCT Order, AEG used a 3% real discount rate to calculate the net present value of benefits and costs associated with the proposed EE and PDR programs. AEG developed separate loss factors for electric energy, electric peak demand, and natural gas impacts. The electric energy loss factor is based on the amount of energy supply required to meet the delivery requirements for each RECO service classification. The electric peak demand loss factor is based on the amount of installed capacity necessary to meet the peak demand requirements for each RECO service classification. The natural gas loss factor is based on the average loss factor filed by PSE&G in a recent rate case. The average loss factors were multiplied by 1.5 to convert average to marginal losses, consistent with the NJCT Order guidance.

Q. How were the energy savings and demand reductions associated with the NJCT calculated?

A. The energy savings and demand reductions associated with the proposed EE and PDR programs were developed based on the New Jersey 2023 Triennial Technical Reference Manual ("NJ TRM").[3] Where necessary and appropriate, AEG used secondary sources to supplement the inputs and assumptions defined in the NJ TRM. For example, measure savings estimates were augmented with additional data sources including recent reported actuals from the RECO Triennial PY1-PY3, as well as other regional sources such as the Illinois Technical Reference Manual and the New York Technical Reference Manual.

Q. How were the costs associated with the NJCT developed?

A. AEG developed the NJCT cost inputs to evaluate the cost-effectiveness for the EE and PDR programs proposed for RECO's New Jersey service territory based on the guidance and recommendations included in the NJCT Order. As such, each cost input was developed independently and is described below.

Measure Incremental Costs

According to the NJCT Order the measure incremental costs should reflect the total costs associated with the efficiency measure implemented, less the costs of the baseline measure. AEG used the results of the Incremental Measure Cost Study to determine the measure costs for the NJCT.[4]

Program Administration Costs

According to the NJCT Order, program administration costs are defined as non-measure

[3] New Jersey Board of Public Utilities. New Jersey 2023 Triennial Technical Reference Manual. May 22, 2023. Available at: https://njcepfiles.s3.amazonaws.com/QO23030150-+Tri2+EE1+%2B+EE2-+Order+Attch+C-+TRM.pdf

[4] DNV. New Jersey X2218 Incremental Measure Cost Study. March 31, 2023. Available at: https://www.njcleanenergy.com/files/file/BPU/2023/Energy%20Efficiency%20Triennium%202%20Incremental%20Measurement%20Costs%20Memo%20(2023).pdf

level program costs that are included in the portfolio. As such, the non-measure level program costs for the NJCT include program administration, marketing, inspections and quality control, evaluation, financing, and implementation costs. All non-measure level program costs were developed and included in the NJCT in close collaboration with RECO to align with the costs associated with the EE and PDR programs.

Q. How were the benefits associated with the NJCT developed?

A. AEG developed the NJCT inputs for the benefits to evaluate the cost-effectiveness for the EE and PDR programs proposed for RECO's New Jersey service territory based on the guidance and recommendations included in the NJCT Order. As such, each benefit input was developed independently and is described below.

Avoided Wholesale Electric Energy Costs

Based on the NJCT Order guidance, the avoided wholesale electric energy costs should be calculated using forward-looking jurisdiction-specific monthly forecast of on- and off-peak prices utilizing recent traded settlements. As such, the avoided electric energy costs are based on forward market settlement data from the Western Hub for 2024 through 2028. The forward-looking settlement data were adjusted based on historical actual locational marginal price (LMP) data for the RECO zone in proportion to the Western Hub LMP for 2020 through 2022. The avoided electric energy costs for 2029 through 2060 are based on the RECO adjusted value for 2028, escalated using electric power market projections from the Energy Information Administration's 2023 Annual Energy Outlook[5].

Avoided Wholesale Electric Capacity Costs

The NJCT Order calculates avoided wholesale electric capacity costs using data from the

[5] U.S. Energy Information Administration, Annual Energy Outlook 2023. Available at: https://www.eia.gov/outlooks/aeo/.

PJM Base Residual Auction ("BRA"). As such, the avoided wholesale electric capacity costs for 2024 are calculated as a three-year weighted average of the BRA results from the most recent delivery years for the RECO zone. Future avoided wholesale electric capacity costs are escalated using a 3% escalation rate, consistent with the three percent discount rate cited in the NJCT Order.

Avoided Wholesale Electric Transmission and Distribution (T&D) Costs

The NJCT Order provides separate guidance for the avoided transmission and distribution components of electric peak demand savings. The avoided transmission costs are calculated using the most recent Network Integration Transmission Service ("NITS") Rate for each utility service territory. AEG used the NITS Rate for the RECO transmission zone as referenced in the Annual Transmission Revenue Requirements and Rates for PJM, effective June 1, 2023.

The NJCT Order recommends calculating the avoided distribution cost component based on the total annual distribution charges paid by the customer. To accommodate this recommendation, AEG used the RECO billed distribution revenue impacts for residential and commercial service classifications as the basis for the avoided distribution cost. For the purposes of the NJCT BCA, AEG combined the transmission and distribution cost components and applied the resulting values to the peak demand impacts associated with the EE and PDR programs.

Avoided Wholesale Electric Ancillary Services Costs

According to the NJCT guidance, AEG valued the avoided wholesale electric ancillary services costs based on a three-year rolling average taken from the 2022 State of the Market Report for PJM.[6] Future wholesale electric ancillary services costs are escalated consistent with avoided wholesale electric energy costs.

Avoided Wholesale Natural Gas Supply Costs

[6] Monitoring Analytics, LLC, 2022 Annual State of the Market Report for PJM. Available at: https://www.monitoringanalytics.com/reports/PJM_State_of_the_Market/2022.shtml.

Based on guidance from the NJCT Order, avoided wholesale natural gas supply costs are calculated using New York Mercantile Exchange ("NYMEX") Henry Hub forward trading prices. The NJCT Order also allows utilities to include the actual gas transportation rates and any local distribution company transportation rates to determine the full delivered cost of gas for any individual customer. Consistent with the NJCT Order guidance, AEG took a multi-step approach to developing avoided natural gas costs. First, AEG developed the avoided wholesale natural gas supply costs based on gas futures prices for 2024 weighted by volume. Next, AEG developed a transportation rate adder based on three-year average annual Northeast day-ahead natural gas prices for Henry Hub and Transco Zone 6 obtained from market assessments published by the Federal Energy Regulatory Commission (FERC). AEG combined the Henry Hub gas futures prices and the transportation rates to calculate a fully delivered avoided cost of gas for use in the NJCT BCA. The avoided wholesale natural gas supply cost was applied to the natural gas savings associated with the EE and PDR programs as a benefit in the NJCT. Natural gas benefits accrue because of the implementation RECO programs, so these benefits were accounted for in the NJCT for measures and programs administered by the utility that result in gas savings.

Avoided Delivered Fuels Costs

According to the NJCT Order, the value of avoided delivered fuel costs should be included in the NJCT. As such, the avoided delivered fuel costs for propane and fuel oil are calculated using a three-year rolling average of historic EIA New Jersey residential fuel oil and propane prices, escalated using an annual growth rate derived from the 2023 Annual Energy Outlook.

Demand Reduction Induced Price Effects (DRIPE)

The NJCT Order specifies three components of DRIPE benefits for wholesale electric energy and capacity costs as well as wholesale natural gas costs. Consistent with NJCT Order guidance, the DRIPE benefit was calculated as a 5% adder on each of these components.

Q. Does the NJCT Order describe any additional impacts to include in the NJCT?

A. Yes. The NJCT Order describes a series of non-energy impacts ("NEIs") to include in the NJCT, including avoided emissions impacts, non-energy benefits, and low-income benefits.

Q. How were the NEIs determined for the NJCT?

A. AEG determined the NEIs based on the guidance and recommendations included in the NJCT Order. As such, each NEI was developed independently and is described below.

Avoided Emissions Impacts

According to the NJCT Order the avoided emissions impacts include avoided damages associated with carbon dioxide (CO2), sulfur dioxide (SO2), and nitrogen oxides (NOx) emissions attributable to the EE and PDR programs. Consistent with the NJCT Order, AEG applied separate emissions factors to the electricity and natural gas savings associated with the proposed EE and PDR programs. AEG valued CO2 emission reductions consistent with the methodology described in the NJCT Order using the social cost of carbon ("SCC") for the 3% discount rate scenario listed in the August 2016 Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis.[7] Consistent with the NJCT Order, AEG valued SO2 and NOx emissions using the average of the high case and low case estimates from the EPA report entitled Estimating the Benefit per Ton of Reducing Directly-Emitted PM2.5, PM2.5 Precursors and Ozone Precursors from 21 Sectors.[8]

Non-Energy Benefits

Consistent with the NJCT Order, AEG applied a 15% adder to the total electric, natural

[7] Interagency Working Group on Social Cost of Greenhouse Gases, United States Government, Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866 (August 2016), available at https://www.epa.gov/sites/production/files/2016-12/documents/sc_co2_tsd_august_2016.pdf

[8] U.S. Environmental Protection Agency, Technical Support Document, Estimating the Benefit per Ton of Reducing Directly-Emitted PM2.5, PM2.5 Precursors and Ozone Precursors from 21 Sectors (September 2023). Available at: https://www.epa.gov/system/files/documents/2021-10/source-apportionment-tsd-oct-2021_0.pdf

gas, and delivered fuel benefits to account for non-energy benefits associated with the EE and PDR programs.

Low Income Benefits

Consistent with the NJCT Order, AEG applied an additional 15% adder to the total electric, natural gas, and delivered fuel benefits associated with low-income programs.

Q. What additional BCA tests are required for reporting in the NJCT Order?

A. The NJCT Order requires utilities to report five cost-effectiveness tests in addition to the NJCT. The additional tests include the Total Resource Cost Test ("TRC"), the Participant Cost Test ("PCT"), the Program Administrator Cost Test ("PAC"), the Ratepayer Impact Measure Test ("RIM"), and the Societal Cost Test ("SCT"). All required tests were calculated in the BCA.

Q. How were the benefit-cost ratios for each test calculated?

A. AEG calculated the benefit-cost ratios using AEG's BenCost model. The BenCost model is a proprietary cost-effectiveness model that AEG utilizes in multiple jurisdictions throughout the United States. BenCost is a fully customizable cost-effectiveness modeling platform that enables AEG to evaluate the costs and benefits associated with DSM programs and services using utility-specific inputs.

IV. BENEFIT-COST ANALYSIS RESULTS

Q. Please summarize the findings of the Benefit-Cost Analysis.

A. Consistent with the NJCT Order, AEG calculated the benefit-cost ratios using AEG's BenCost model for each of the proposed EE and PDR programs and for the portfolio as a whole. Total portfolio and program-level BCA results are shown below:

Table 1. Total Portfolio Level BCA Results

Cost Test		Total Residential Programs	Total Commercial & Industrial Programs	Total Cross-Sector Programs	Total Portfolio
Total Resource Cost Test (TRC)					
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)	$27,050,760
Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652	$4,850,253
Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398	$3,011,048
Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)	$1,706,467
Lifetime Avoided RPS REC Purchase Costs		n/a	n/a	n/a	n/a
Lifetime Avoided Wholesale Volatility Costs (E&G)		n/a	n/a	n/a	n/a
Lifetime Avoided T&D Costs (E&G)		$931,028	$12,200,158	$823,832	$13,933,995
Lifetime Avoided Delivered Fuels Costs		$0	$0	$1,046,968	$0
	Total Benefit	**$5,157,744**	**$44,110,365**	**$1,660,471**	**$50,552,522**
Lifetime Incremental Costs		$10,803,641	$23,756,926	$3,472,115	$35,759,556
Lifetime Administration Costs**		$7,470,000	$6,377,500	$2,355,000	$15,272,500
	Total Costs	**$18,273,641**	**$30,134,426**	**$5,827,115**	**$51,032,056**
	Benefit-Cost Ratio	***0.28***	***1.46***	***0.28***	***0.99***
Participant Cost Test (PCT)					
Lifetime Avoided Retail Electric Costs		$3,429,909	$36,814,038	($1,541,645)	$40,492,306
Lifetime Avoided Retail Natural Gas Costs		n/a	n/a	n/a	n/a
Lifetime Program Incentive Costs		$10,497,292	$18,745,085	$3,159,700	$29,860,020
Lifetime Time-Value of Loan Repayments		$521,190	$341,470	$179,721	$898,604
	Total Benefit	**$14,448,392**	**$55,900,593**	**$1,797,776**	**$71,250,929**
Lifetime Participant Costs		$10,803,641	$23,756,926	$3,472,115	$35,759,556
	Total Costs	**$10,803,641**	**$23,756,926**	**$3,472,115**	**$35,759,556**
	Benefit-Cost Ratio	***1.34***	***2.35***	***0.52***	***1.99***
Program Administrator Cost Test (PAC)					
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)	$27,050,760
Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652	$4,850,253
Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398	$3,011,048
Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)	$1,706,467
Lifetime Avoided RPS REC Purchase Costs		n/a	n/a	n/a	n/a

Lifetime Avoided Wholesale Volatility Costs		n/a	n/a	n/a	n/a	
Lifetime Avoided T&D Costs		$931,028	$12,200,158	$823,832		$13,933,995
	Total Benefit	**$5,157,744**	**$44,110,365**	**$613,503**		**$50,552,522**
Lifetime Administration Costs		$3,440,000	$3,160,000	$1,005,000		$7,025,000
Lifetime Program Investment Costs		$13,077,292	$21,012,585	$4,009,700		$35,607,520
Lifetime Time-Value of Loan Repayments		$1,450,000	$950,000	$500,000		$2,500,000
	Total Costs	**$17,967,292**	**$25,122,585**	**$5,514,700**		**$45,132,520**
	Benefit-Cost Ratio	***0.29***	***1.76***	***0.11***		***1.12***
Ratepayer Impact Measure Test (RIM)						
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)		$27,050,760
Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652		$4,850,253
Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398		$3,011,048
Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)		$1,706,467
Lifetime Avoided RPS REC Purchase Costs		n/a	n/a	n/a	n/a	
Lifetime Avoided Wholesale Volatility Costs		n/a	n/a	n/a	n/a	
Lifetime Avoided T&D Costs		$931,028	$12,200,158	$823,832		$13,933,995
	Total Benefit	**$5,157,744**	**$44,110,365**	**$613,503**		**$50,552,522**
Lifetime Administration Costs		$3,440,000	$3,160,000	$1,005,000		$7,025,000
Lifetime Program Investment Costs		$13,077,292	$21,012,585	$4,009,700		$35,607,520
Lifetime Re-Allocated Distribution Costs		n/a	n/a	n/a	n/a	
Lifetime Time-Value of Loan Repayments		$1,450,000	$950,000	$500,000		$2,500,000
	Total Costs	**$17,967,292**	**$25,122,585**	**$5,514,700**		**$45,132,520**
	Benefit-Cost Ratio	***0.29***	***1.76***	***0.11***		***1.12***
Societal Cost Test (SCT)						
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)		$27,050,760
Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652		$4,850,253
Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398		$3,011,048
Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)		$1,706,467
Lifetime Avoided RPS REC Purchase Costs		n/a	n/a	n/a	n/a	
Lifetime Avoided Wholesale Volatility Costs		n/a	n/a	n/a	n/a	
Lifetime Avoided T&D Costs		$931,028	$12,200,158	$823,832		$13,933,995
Lifetime Avoided Delivered Fuels Costs		$0	$0	$1,046,968		$0
Lifetime Avoided Emissions Damages		$5,754,227	$32,227,233	($50,986)		$38,186,215
Job and Savings Multiplier Benefits		n/a	n/a	n/a	n/a	
Non-Energy Benefit Adder		$545,680	$3,821,172	($69,996)		$4,391,862
Low-Income Adder		$150,227	$0	$0		$150,227
	Total Benefit	**$11,607,878**	**$80,158,770**	**$1,539,489**		**$93,280,826**
Lifetime Incremental Costs		$10,803,641	$23,756,926	$3,472,115		$35,759,556

	Lifetime Administration Costs**		$7,470,000	$6,377,500	$2,355,000	$15,272,500
		Total Costs	**$18,273,641**	**$30,134,426**	**$5,827,115**	**$51,032,056**
		Benefit-Cost Ratio	***0.64***	***2.66***	***0.26***	***1.83***
New Jersey Cost Test (NJCT)						
	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)	$27,050,760
	Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652	$4,850,253
	Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398	$3,011,048
	Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)	$1,706,467
	Lifetime Avoided T&D Costs		$931,028	$12,200,158	$823,832	$13,933,995
	Lifetime Avoided Delivered Fuels Costs		$0	$0	$1,046,968	$0
	Lifetime Avoided Emissions Damages		$5,754,227	$32,227,233	($50,986)	$38,186,215
	Non-Energy Benefit Adder		$545,680	$3,821,172	($69,996)	$4,391,862
	Low-Income Adder		$150,227	$0	$0	$150,227
		Total Benefit	**$11,607,878**	**$80,158,770**	**$1,539,489**	**$93,280,826**
	Lifetime Incremental Costs		$10,803,641	$23,756,926	$3,472,115	$35,759,556
	Lifetime Administration Costs**		$7,470,000	$6,377,500	$2,355,000	$15,272,500
		Total Costs	**$18,273,641**	**$30,134,426**	**$5,827,115**	**$51,032,056**
		Benefit-Cost Ratio	***0.64***	***2.66***	***0.26***	***1.83***

** Lifetime Administrative Costs in the TRC, SCT, and NJCT are inclusive of all program investment and program expense costs, net direct participant incentives.

1

Table 2. Program Level BCA Results

Cost Test		C&I Direct Install	C&I Prescriptive /Custom	Energy Solutions for Business	Multifamily	Residential Efficient Products	Whole Home	Income Qualified	Behavioral	Next Generation Savings	Peak Demand Reduction	Building Decarbonization
Total Resource Cost Test (TRC)												
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs		$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
Lifetime Avoided Wholesale Natural Gas Costs		$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
Lifetime DRIPE Benefits (E&G)		$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
Lifetime Avoided RPS REC Purchase Costs		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Lifetime Avoided Wholesale Volatility Costs (E&G)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Lifetime Avoided T&D Costs (E&G)		$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
Lifetime Avoided Delivered Fuels Costs		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,046,968
	Total Benefit	**$14,047,545**	**$30,060,818**	**$2,001**	**$250,176**	**$2,584,291**	**$895,950**	**$1,224,190**	**$453,313**	**$0**	**$1,034,237**	**$626,234**
Lifetime Incremental Costs		$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051
Lifetime Administration Costs**		$2,645,000	$2,722,500	$1,010,000	$545,000	$3,600,000	$2,025,000	$1,245,000	$600,000	$0	$880,000	$1,475,000
	Total Costs	**$13,583,777**	**$15,534,561**	**$1,016,088**	**$799,925**	**$9,857,765**	**$3,872,593**	**$3,943,283**	**$600,000**	**$0**	**$1,824,064**	**$4,003,051**
	Benefit-Cost Ratio	***1.03***	***1.94***	***0.00***	***0.31***	***0.26***	***0.23***	***0.31***	***0.76***	***n/a***	***0.57***	***0.16***
Participant Cost Test (PCT)												
Lifetime Avoided Retail Electric Costs		$11,224,062	$25,588,345	$1,631	$248,358	$1,887,340	$441,328	$471,017	$630,224	$0	$0	($1,541,645)
Lifetime Avoided Retail Natural Gas Costs		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Lifetime Program Incentive Costs		$8,371,673	$10,358,411	$15,000	$396,043	$5,647,002	$2,163,005	$2,687,286	$0	$0	$221,600	$2,938,100
Lifetime Time-Value of Loan Repayments		$179,721	$161,749	$0	$35,944	$269,581	$251,609	$0	$0	$0	$0	$179,721
	Total Benefit	**$19,775,456**	**$36,108,506**	**$16,631**	**$680,345**	**$7,803,923**	**$2,855,942**	**$3,158,303**	**$630,224**	**$0**	**$221,600**	**$1,576,176**
Lifetime Participant Costs		$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051
	Total Costs	**$10,938,777**	**$12,812,061**	**$6,088**	**$254,925**	**$6,257,765**	**$1,847,593**	**$2,698,283**	**$0**	**$0**	**$944,064**	**$2,528,051**
	Benefit-Cost Ratio	***1.81***	***2.82***	***2.73***	***2.67***	***1.25***	***1.55***	***1.17***	***n/a***	***n/a***	***0.23***	***0.62***
Program Administrator Cost Test (PAC)												
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs		$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191

	Lifetime Avoided Wholesale Natural Gas Costs	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
	Lifetime DRIPE Benefits (E&G)	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
	Lifetime Avoided RPS REC Purchase Costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Lifetime Avoided Wholesale Volatility Costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Lifetime Avoided T&D Costs	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
	Total Benefit	**$14,047,545**	**$30,060,818**	**$2,001**	**$250,176**	**$2,584,291**	**$895,950**	**$1,224,190**	**$453,313**	**$0**	**$1,034,237**	**($420,734)**
	Lifetime Administration Costs	$1,225,000	$1,825,000	$110,000	$145,000	$1,690,000	$865,000	$685,000	$200,000	$0	$280,000	$725,000
	Lifetime Program Investment Costs	$9,291,673	$10,805,911	$915,000	$696,043	$6,807,002	$2,623,005	$3,247,286	$400,000	$0	$821,600	$3,188,100
	Lifetime Time-Value of Loan Repayments	$500,000	$450,000	$0	$100,000	$750,000	$700,000	$0	$0	$0	$0	$500,000
	Total Costs	**$11,016,673**	**$13,080,911**	**$1,025,000**	**$941,043**	**$9,247,002**	**$4,188,005**	**$3,932,286**	**$600,000**	**$0**	**$1,101,600**	**$4,413,100**
	Benefit-Cost Ratio	***1.28***	***2.30***	***0.00***	***0.27***	***0.28***	***0.21***	***0.31***	***0.76***	***n/a***	***0.94***	***-0.10***
Ratepayer Impact Measure Test (RIM)												
	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
	Lifetime Avoided Wholesale Electric Capacity Costs	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
	Lifetime Avoided Wholesale Natural Gas Costs	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
	Lifetime DRIPE Benefits (E&G)	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
	Lifetime Avoided RPS REC Purchase Costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Lifetime Avoided Wholesale Volatility Costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Lifetime Avoided T&D Costs	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
	Total Benefit	**$14,047,545**	**$30,060,818**	**$2,001**	**$250,176**	**$2,584,291**	**$895,950**	**$1,224,190**	**$453,313**	**$0**	**$1,034,237**	**-$420,734**
	Lifetime Administration Costs	$1,225,000	$1,825,000	$110,000	$145,000	$1,690,000	$865,000	$685,000	$200,000	$0	$280,000	$725,000
	Lifetime Program Investment Costs	$9,291,673	$10,805,911	$915,000	$696,043	$6,807,002	$2,623,005	$3,247,286	$400,000	$0	$821,600	$3,188,100
	Lifetime Re-Allocated Distribution Costs	$11,224,062	$25,588,345	$1,631	$248,358	$1,887,340	$441,328	$471,017	$630,224	$0	$0	($1,541,645)
	Lifetime Time-Value of Loan Repayments	$500,000	$450,000	$0	$100,000	$750,000	$700,000	$0	$0	$0	$0	$500,000
	Total Costs	**$22,240,735**	**$38,669,257**	**$1,026,631**	**$1,189,401**	**$11,134,342**	**$4,629,333**	**$4,403,303**	**$1,230,224**	**$0**	**$1,101,600**	**$2,871,455**
	Benefit-Cost Ratio	***0.63***	***0.78***	***0.00***	***0.21***	***0.23***	***0.19***	***0.28***	***0.37***	***n/a***	***0.94***	***-0.15***
Societal Cost Test (SCT)												
	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
	Lifetime Avoided Wholesale Electric Capacity Costs	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
	Lifetime Avoided Wholesale Natural Gas Costs	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
	Lifetime DRIPE Benefits (E&G)	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
	Lifetime Avoided RPS REC Purchase Costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

	Lifetime Avoided Wholesale Volatility Costs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Lifetime Avoided T&D Costs	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528	
	Lifetime Avoided Delivered Fuels Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,046,968	
	Lifetime Avoided Emissions Damages	$10,165,893	$22,060,132	$1,208	$204,755	$2,017,664	$1,324,883	$1,949,475	$462,204	$0	$0	($50,986)	
	Job and Savings Multiplier Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Non-Energy Benefit Adder	$1,191,500	$2,629,510	$162	$25,010	$224,191	$108,290	$150,227	$62,972	$0	$0	($69,996)	
	Low-Income Adder	$0	$0	$0	$0	$0	$0	$150,227	$0	$0	$0	$0	
	Total Benefit	**$25,404,938**	**$54,750,461**	**$3,371**	**$479,941**	**$4,826,145**	**$2,329,124**	**$3,474,120**	**$978,489**	**$0**	**$1,034,237**	**$505,252**	
	Lifetime Incremental Costs	$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051	
	Lifetime Administration Costs**	$2,645,000	$2,722,500	$1,010,000	$545,000	$3,600,000	$2,025,000	$1,245,000	$600,000	$0	$880,000	$1,475,000	
	Total Costs	**$13,583,777**	**$15,534,561**	**$1,016,088**	**$799,925**	**$9,857,765**	**$3,872,593**	**$3,943,283**	**$600,000**	**$0**	**$1,824,064**	**$4,003,051**	
	Benefit-Cost Ratio	***1.87***	***3.52***	***0.00***	***0.60***	***0.49***	***0.60***	***0.88***	***1.63***	***n/a***	***0.57***	***0.13***	
New Jersey Cost Test (NJCT)													
	Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)	
	Lifetime Avoided Wholesale Electric Capacity Costs	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191	
	Lifetime Avoided Wholesale Natural Gas Costs	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398	
	Lifetime DRIPE Benefits (E&G)	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)	
	Lifetime Avoided T&D Costs	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528	
	Lifetime Avoided Delivered Fuels Costs	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,046,968	
	Lifetime Avoided Emissions Damages	$10,165,893	$22,060,132	$1,208	$204,755	$2,017,664	$1,324,883	$1,949,475	$462,204	$0	$0	($50,986)	
	Non-Energy Benefit Adder	$1,191,500	$2,629,510	$162	$25,010	$224,191	$108,290	$150,227	$62,972	$0	$0	($69,996)	
	Low-Income Adder	$0	$0	$0	$0	$0	$0	$150,227	$0	$0	$0	$0	
	Total Benefit	**$25,404,938**	**$54,750,461**	**$3,371**	**$479,941**	**$4,826,145**	**$2,329,124**	**$3,474,120**	**$978,489**	**$0**	**$1,034,237**	**$505,252**	
	Lifetime Incremental Costs	$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051	
	Lifetime Administration Costs**	$2,645,000	$2,722,500	$1,010,000	$545,000	$3,600,000	$2,025,000	$1,245,000	$600,000	$0	$880,000	$1,475,000	
	Total Costs	**$13,583,777**	**$15,534,561**	**$1,016,088**	**$799,925**	**$9,857,765**	**$3,872,593**	**$3,943,283**	**$600,000**	**$0**	**$1,824,064**	**$4,003,051**	
	Benefit-Cost Ratio	***1.87***	***3.52***	***0.00***	***0.60***	***0.49***	***0.60***	***0.88***	***1.63***	***n/a***	***0.57***	***0.13***	

** Lifetime Administrative Costs in the TRC, SCT, and NJCT are inclusive of all program investment and program expense costs, net direct participant incentives.

V. CONCLUSIONS

Q. Please summarize the results of your direct testimony.

A. The RECO EE and PDR programs were evaluated for cost-effectiveness using inputs and methodologies consistent with the NJCT Order and industry practices. Based on results of the NJCT, RECO's EE portfolio is cost-effective with an average 1.83 benefit-cost ratio.

Q. Does this conclude your direct testimony?

A. Yes.

Exhibit 1: T2 EE and PDR Program Plans

Exhibit-1: Triennium 2 Energy Efficiency & Peak Demand Reduction Programs Plan

Rockland Electric Company
Submitted: December 1, 2023

Docket No. QO19010040, QO23030150, QO17091004

1. Table of Contents

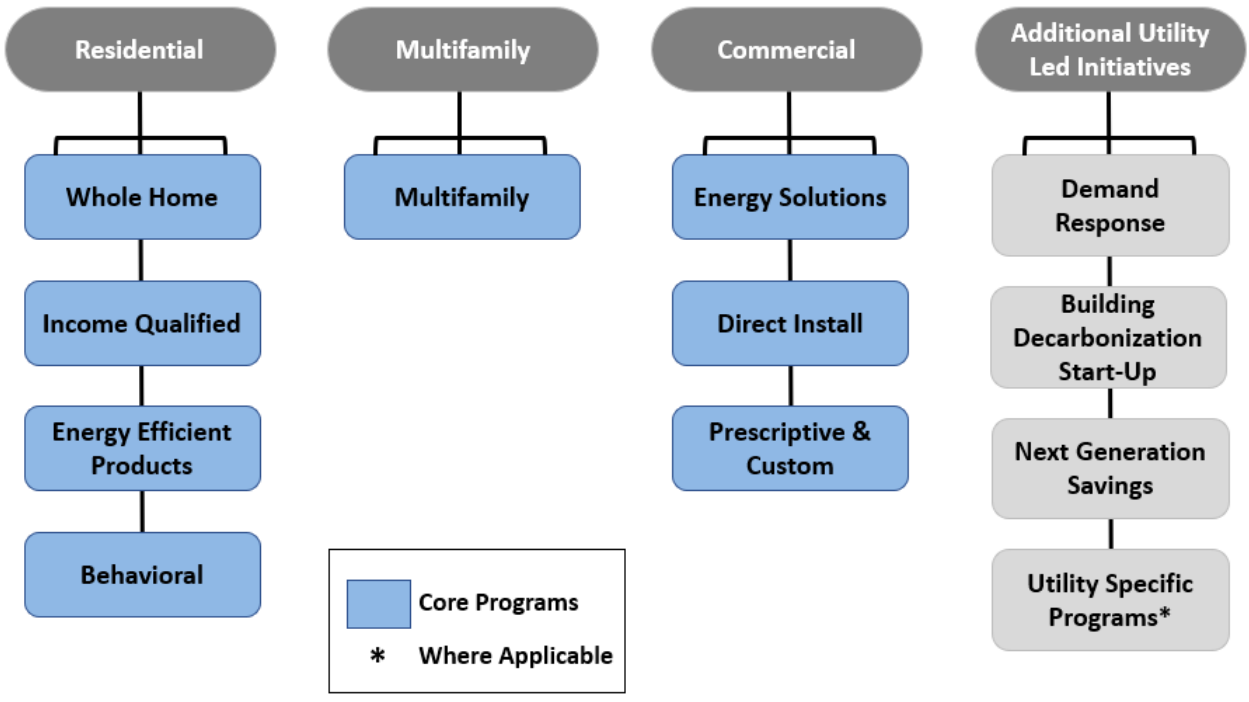
2. Introduction

This Program Plan was developed to address RECO's plan for the delivery of Energy Efficiency, Building Decarbonization Start-up and Demand Response programs that RECO proposes to offer for Triennium Two which will cover the thirty-month period from January 1, 2025 to June 30, 2027.

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

The program templates for the Additional Utility Led Initiatives (Section 3b of this program plan) follow a consistent format but contain utility specific proposals, with the exception of the Next Generation Savings program which also provides consistent information across the utilities in addition to a consistent format.

The graphic below demonstrates the organization of the programs. As discussed above, all programs noted in blue as Core have consistent Program Descriptions within each utility's program plan. The Next Generation Savings program also has a consistent Program Description. The descriptions for all other programs are utility-specific.



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

consistent information across all of the utilities:

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

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

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

As noted above, all of the appendices are formatted similarly and in the same order, but present utility-specific information, with the exception of Appendix I: Comfort Partners Transition Plan which is consistent for all utilities. Appendix H: Incentive Ranges is formatted similarly, but has some variation due to differences in utility specific program proposals.

3. Program Descriptions

3.a Core Programs

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

3.a.i Residential Sector

The Core Residential sector programs are described below and include:

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

3.a.i.1 WHOLE HOME PROGRAM

Program Description (MFR II.a.i)

The Whole Home Program consists of two main components:

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

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

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

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

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

During the visit, the assessor will perform a walk-through of the customer's home with the customer to identify opportunities to save energy. The assessors may identify health and safety issues observed and may perform more detailed diagnostic tests on the home. Other opportunities for energy savings may also be offered including making referrals to other energy efficiency programs and for program opportunities based on the needs for that premise and the customer's interest in pursuing additional upgrades. This may also include directly proceeding to address weatherization needs and other opportunities, referring to trade allies who are able to support measures offered in other programs, including Additional Utility-Led Initiatives, or sharing information about the products and incentives available under other programs.

Although the program may provide a variety of types of assessment options and additional opportunities in order to best suit the varying needs of its customers, it will promote a holistic

approach for customers to explore and invest in the efficiency and comfort of their homes. All participants in this program must have an initial home energy assessment. To ensure the upgrades are accessible to customers, there will be financing available to eligible customers through either an On-Bill Repayment ("OBR") or access to financing with similar terms.

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

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

The Whole Home program will be available to all single-family and single-family attached (1 to 4 unit properties)[1] electric and/or natural gas customers served by at least one of the participating investor-owned utilities in New Jersey. Standard energy efficiency measures installed during that assessment may include but not be limited to LED bulbs, energy and water saving showerheads, kitchen faucet aerators, bathroom faucet aerators, gaskets, power strips and other energy saving measures. All participants will receive a report that outlines the findings during the appointment and summarizes the measures received, the recommendations made, and the incentives available.

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

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

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

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

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

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

Customer Financing Options (MFR II.a.v)

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

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

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

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

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

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

The utilities will encourage all participating trade allies to also look for opportunities to promote measures from the Residential Efficient Products and Building Decarbonization programs, such as home appliances (e.g., water heaters and clothes dryers) to increase energy savings and leverage those incentives.

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.i.2 INCOME-QUALIFIED PROGRAM

Program Description (MFR II.a.i)

The Income-Qualified Program provides an opportunity for low and moderate-income customers to receive energy efficiency measures and upgrades at no cost to participate. This program would condense the Moderate-Income Weatherization programs currently run as Additional Utility Led Program with the Comfort Partners program, currently run as a Co-Managed Program through New Jersey's Clean Energy Program. For the first six-months of the 2nd Triennium, Comfort Partners would continue to operate under the existing structure but be included under utility budgets as a Clean Energy Act Program and the Utilities would refine detailed plans for a transition to be effective in FY26. See Appendix I for more information on the proposed Plan for the transition.[1] For ease of review, this template will address the plans for the condensed Income Qualified program.

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

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

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

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

The Income-Qualified Program will be available to income-qualified customers served by at least one investor-owned utility in New Jersey. Eligibility for these enhanced incentives may be determined based on screening an individual customer, categorical eligibility (which may vary for low- and moderate-income customers), or special screening if the physical location is within the boundaries of a low-income or moderate-income census tract, an Overburdened Community ("OBC"), or any other agreed upon designation by the Board. Please refer to Section 4.g of this

Program Plan for more information on special treatment for OBC customers. Qualifying guidelines may be adjusted based on updates to federal or state guidelines.

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

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

The customer may receive no-cost energy efficiency measures and upgrades with a per project guideline and health and safety expense protocol. The program will be designed to provide a greater level of benefits for low-income customers. Refer to Appendix H for the Summary of Proposed Incentive Ranges for this program.

The utilities and/or the third-party implementation contractors will strive to complete contractor payments within 60 days following completion of contractor work, submission of complete and required paperwork, and completion of program requirements, such as necessary field inspections (if required).

Customer Financing Options (MFR II.a.v)

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

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

Utility staff and/or third-party implementation contractors will oversee all aspects of the program, including contractor training and engagement, quality assurance and fulfillment of program services. The home energy assessment and efficiency improvements will be conducted by utility staff, third- party implementation contractors and/or program contractors. The utilities and/or third-party implementation contractors will oversee their staff and subcontractors and engage contractors to educate them on the program benefits to reliably complete the home assessments and install energy efficient equipment and improvements for participating customers. The utilities and/or third-party implementation contractors will also verify the eligibility of customers and will maintain a close relationship with contractors to ensure a consistent program delivery experience.

Contractors will consist of companies employing qualified professionals who are able to complete assessments and energy-saving projects.

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

Refer to Section 4.c for a description of how the utilities will provide customers with access to their energy data.

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.i.3 ENERGY EFFICIENT PRODUCTS PROGRAM

Program Description (MFR II.a.i)

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

The program may:

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

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

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

- **Post-Purchase (Downstream) Rebates**: Rebates made available to customers after they have made their purchase. Applications may be available online or in stores to submit either electronically or in hard copy with proof-of-purchase.
- **Midstream or Upstream Rebates:** The utilities may pursue a midstream or upstream rebate component to encourage the purchase of certain efficient equipment. The utilities may work with retail partners (such as Home Depot, Lowes, etc.), distributors or manufacturers to ensure that measures are available throughout the state.
- **Point of Sale Rebates**: Prescriptive rebates made available at the point of sale for select products.
- **Online Marketplace:** The online marketplace is an easy-to-use source for the purchase of efficient products and services. Participants can browse energy efficient equipment and appliances and purchase through the marketplace which will offer instant rebates. The marketplace may also include non-incentivized items that can help drive traffic, increase uptake in incentivized measures, and expose customers to other utility and/or state offered clean energy programs.
- **Appliance Recycling:** Rebates will be provided to customers for recycling qualifying, inefficient, operating appliances. Offering an incentive for the drop off or pick-up and removal of an appliance prevents the appliance from being maintained as a second unit or transferred to another customer. In addition, periodic events may be offered at centralized drop off locations where customers can drop off qualified inefficient operating appliances. The program may also target appliance retailers for participation or offer bulk appliance recycling.
- **Trade Allies:** A network of trade allies created to promote the program. The trade ally network may consist of qualified installation contractors, plumbers, electricians and other trade service professionals who meet all applicable statewide requirements for performing the respective service (e.g., HVAC license, insurance requirements). Trade allies will be able to leverage the program and offer customers rebates through their normal course of business.
- **Efficient Product Kits:** Kits to introduce and promote energy efficiency technologies that can be easily installed in a customers' home. Similar to the Online Marketplace, the kits can act as a gateway to other programs by including energy efficiency and conservation education and promotional materials for other program opportunities. Where appropriate, the utilities may partner with foodbanks, schools, community organizations, and new customers, and participate in energy assistance outreach events to deliver the kits.

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

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

The target market for this program will be all electric and/or natural gas customers served by at least one investor-owned utility in New Jersey. The program is focused on promoting the sale and

installation of efficient electric and natural gas equipment across all major residential end-use categories, and can be easily promoted to program allies, trade allies and customers via rebates. Examples of technologies incentivized through this program include heating/cooling equipment, water heating equipment, electronics, appliances, smart thermostats, water saving measures, weatherization items, pre-packaged kits, and other efficient products. The program will also promote the retirement, recycling and replacement of old refrigerators, freezers, and other inefficient appliances.

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

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

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

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

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

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

Customer Financing Options (MFR II.a.v)

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

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

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

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

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

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.i.4 BEHAVIORAL PROGRAM

Program Description (MFR II.a.i)

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

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

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

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

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

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

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

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

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

Customer Financing Options (MFR II.a.v)

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

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

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

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.ii Commercial & Industrial Sector

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

- Energy Solutions
- Prescriptive & Custom
- Direct Install

3.a.ii.1 ENERGY SOLUTIONS PROGRAM

Program Description (MFR II.a.i)

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

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

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

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

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

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

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

Building Operations:

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

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

Retro-Commissioning:

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

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

Typical RCx services include, but are not limited to:

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

Monitoring Based Commissioning (MBCx):

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

1. Assessment and qualification of a building energy management system. Assess utility bills and facility to recognize potential for energy savings.

2. Customer agrees to have contracted services utilize eligible software with diagnostics and other functionality through a monitoring service contract.
3. Monitoring-based Commissioning (MBCx) is designed to:

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

Virtual Commissioning (VCx):

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

Strategic Energy Management:

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

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

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

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

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

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

to, HVAC, building envelope, lighting, controls and other building systems, energy efficiency and energy consuming equipment.

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

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

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

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

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

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

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

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

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

- **HVAC Tune-Up:** Fixed incentives for the implementation of the tune-up measures based on the size of the HVAC units.

- **Building Tune-Up:** Incentives that cover up to 80% of the project cost and up to 70% of the cost to attend qualified BOC training up to $1000 per person.
- **Retro-Commissioning:** Incentives to cover up to 100% of the initial cost to perform the required ASHRAE level audit, and the remaining cost upon the customer commitment to implementation of energy efficiency measures defined by the audit. The total project incentive will be capped at up to 70% of the project cost. The customer may also be paid a custom incentive for the implementation of the energy efficiency measures determined through the audit.
- **Monitoring-based Commissioning, Virtual Commissioning:** Incentives to cover up to 100% of the cost of integration of third-party hardware and software. Utilities may also implement a performance-based model with an implementation contractor where the utility only pays for delivered and verified energy savings.
- **Strategic Energy Management**: The utility or third-party implementation contractor may perform an engineering assessment of the customer's facility to develop a SEMP or the customer may choose to utilize a consultant of their choosing to perform an engineering assessment to develop the SEMP. Customers who utilize a consultant will receive an incentive to cover up to 50% of the initial cost of the engineering assessment, with the remaining cost upon the customer commitment to implementation of energy efficiency measures defined by the SEMP process. A tiered incentive structure for customer engineering assessment may be utilized based upon square footage of a customer's facility. The SEMP will identify short, medium and long-term goals for the customer and will set identifiable metrics for mapping to the plan. For the implementation of the energy efficiency measures determined by the SEMP, the customer will be paid an incentive that is commensurate with the applicable Commercial & Industrial Program offering that the measures are attributed.

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

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

Customer Financing Options (MFR II.a.v)

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

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

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

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

- **Audit:** The utilities shall assess the required level of an ASHRAE audit to perform, based on the complexity of the facility and the potential energy efficiency measures; an investment grade audit may not be required for all facilities. The utilities will then select a program trade ally to perform the appropriate level energy audit and prepare a customized audit report that includes a list of recommended energy efficiency upgrades. The lead utility will then review the recommended energy efficiency upgrades with the customer to determine whether to proceed with a project.
- **Engineering Analysis of Project:** Based on the audit results and customer feedback, an engineering analysis may be required. The lead utility will conduct a screening of the payback and project cost effectiveness and recommend the selected energy-efficiency measures for the project. The lead utility will review the project with the customer for customer agreement on the approved project and coordinate as necessary.
- **Engineering Design and Bid Package preparation:** The engineering trade ally hired by the lead utility will initiate the design of the selected energy-efficiency measures for the approved project. In addition, this trade ally will also prepare a Scope of Work and bid package documents which the customer could use to put out a Request for Proposal (RFP) to obtain installation cost estimates for the approved project.
- **Scope of Work/Contractor Bids:** The customer will issue a Scope of Work and the bid package documents to obtain competitive bids to install selected energy-efficiency measures for the approved project. The lead utility, the program engineering trade ally and the customer will review and evaluate the bids/costs received, and the customer will make the final decision on bid selection. Following bid selection, the proposed project is again screened for cost effectiveness.
- **Measures Installation and Inspections:** The partnering utilities and the program engineering trade ally, acting as construction administration agent, will monitor project progress and will release project funds based on the following payment structure:
- **Stage 1: Project Contracting Stage -** The first progress payment of up to 30% of the installation cost can be issued to the customer to initiate the project.
- **Stage 2: Construction Stage -** A pre-defined series of monthly progress payments totaling up to 50% of total project commitment can be issued.
- **Stage 3: Project Completion and Commissioning -** When the project is 100% complete, a final inspection and final project true-up will be performed; remaining progress payments will be issued.

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

The progress payment schedule described above is designed to ensure that customers can pay their installation contractors on a timely basis. Project progress and the project cash flow will be

monitored and verified by the lead utility and the trade ally engineering firm with updates to the partner utility as appropriate.

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

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

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

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

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.ii.2 PRESCRIPTIVE & CUSTOM PROGRAM

Program Description (MFR II.a.i)

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

Prescriptive rebates are designed to:

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

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

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

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

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

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

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

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

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

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

Customer Financing Options (MFR II.a.v)

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

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

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

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

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

- **Retail:** The utilities' program staff and/or the implementation contractor field representatives may work with retailers and distributors that directly target C&I customers to inform them of the participation process and available equipment incentives. The utilities and/or implementation contractor may also provide support and assistance to retailers or distributors to support identification and promotion of qualifying energy efficient products. This may also include training and instruction to participating retailers and distributors about the utilities' application forms.
  The utilities may provide opportunities for commercial customers to purchase energy efficient equipment through an online marketplace.
- **Midstream:** The utilities and/or the implementation contractors may promote a midstream component for specific equipment types to encourage purchase of efficient equipment via directly marking down the cost of the efficient equipment at the point of sale. Midstream rebates encourage market transformation and wider availability of efficient equipment. The

utilities anticipate offering midstream point of sale discounts across numerous equipment types, which may include, but not limited to LED lighting, HVAC and food service equipment. Efficient products that are rebated via a midstream approach will not be eligible for incentives in any other utility energy efficiency program. The utilities and/or implementation contractor will also provide support and assistance to distributors to support identification and promotion of qualifying energy efficient products. This will also include training and instruction to participating distributors, as well as enrollment of distributors to participate in midstream program offerings.

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

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

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

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.ii.3 DIRECT INSTALL PROGRAM

Program Description (MFR II.a.i)

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

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

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

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

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

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

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

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

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

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

For Tier 2 customers, program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan. Customers located in an Urban Enterprise Zone ("UEZ"), Opportunity Zone, Overburdened

Community ("OBC"), or other geographic area as designated by the Board of Public Utilities may also qualify, as will those owned or operated by a local government or K-12 public schools, or non-profits categorized as 501(c)3 or 501(c)19.

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

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

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

Customer Financing Options (MFR II.a.v)

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

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

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

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

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

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

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.a.iii Multifamily Sector

The Core Multifamily sector program is described below and includes:

- Multifamily

3.a.iii.1 MULTIFAMILY PROGRAM

Program Description (MFR II.a.i)

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

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

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

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

Depending upon the screening results and the customer's interests, a customer's project plan could include direct installation of standard and comprehensive energy saving measures, comprehensive building wide efficiency, and other possible measures. The measures within the project plan may align with the terms and conditions of the utilities' respective applicable residential and/or commercial and industrial program offerings, where appropriate, and may include multifamily-specific terms, conditions, incentives and offerings. Therefore, the project plan can include

prescriptive measures with set energy-savings and/or custom projects with savings on a project basis. The incentives for the measures may not match the incentives in other programs, as the multifamily sector has higher barriers to overcome. Discussions with customers may also target the identification of specific opportunities that may align with other utility programs, including measures provided in Additional Utility-Led Initiatives.

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

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

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

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

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

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

Customer Financing Options (MFR II.a.vi)

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

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

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

The Multifamily Program will be delivered in coordination between both the Lead Utility and the Partner Utility (where applicable) and/or qualified third-party implementation contractor(s) with experience delivering similar programs. Because of the unique and varied nature of the multifamily

market program representatives will build relationships with property management companies, owners, associations and their members to recruit participation in the program. The program will assist customers as necessary to coordinate scheduling of the Energy Assessment and direct installations and will provide program and technical support to complete program and rebate application requirements.

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

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

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

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

Refer to Appendix A for the information on these MFRs.

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

Refer to Appendix B for the information on these MFRs.

3.b Additional Utility-Led Initiatives

As discussed in the Introduction, Additional Utility-Led Initiatives follow a consistent format but contain utility specific proposals, with the exception of Next Generation Savings, which provides consistent information across the Utilities.

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

- Next Generation Savings
- Building Decarbonization
- Demand Response

3.b.i NEXT GENERATION SAVINGS PROGRAM

Program Description (MFR II.a.i)

The Next Generation Savings ("NGS") Program will develop critical insights that can help the State with longer term strategies for reaching its clean energy and climate related goals. This program is a key step to gain technical and market understanding on installation, performance, economic and other considerations for new customer energy-efficiency solutions. NGS will support new technologies and approaches that are ready for broader adoption, but need enhanced contractor training, customer incentives, or other key elements to help the marketplace understand the value proposition and implement the measure. It is critical to establish a program like this to ensure utilities and the state will be in a better position to achieve escalating energy savings targets and get new resources to market in a timely fashion.

Since the NGS will be focused on technologies and approaches that have proven potential, this companion effort will focus on the extra support needed to get those proven technologies and approaches into the marketplace to help New Jersey reach its clean energy and climate-related goals, introduce new solutions for customers, and support the development of a clean energy economy. Individual utility interest in supporting particular technologies and approaches may vary due to their fuel source, service territory demographics, or other unique characteristics. Therefore, the NGS would be an optional Additional Utility Led Initiative but would be conducted in a collaborative manner to ensure insights are shared across utilities and with the state and other stakeholders. Progress updates will be shared periodically with the Utility Working Group and publicly through the EE Stakeholder meetings to ensure all stakeholders can benefit from the knowledge developed by this program.

Primary objectives of NGS:

- Identify promising technologies or approaches that are ready to be integrated into energy efficiency offerings for New Jersey, including proposing savings calculations for the Technical Resource Manual and elements to be included in Evaluation, Measurement and Verification plans.
- Identify and engage market actors and customers interested in being early adopters of new technologies or approaches
- Provide support, including training and potential incentives, to program and/or trade allies willing to start promoting the technology and approaches
- Support the successful deployment of new technologies or approaches through case studies, marketing materials, training events, recruitment and other activities
- Identify and address other potential market barriers
- Provide results and knowledge to Utility Working Group and stakeholders

Due to the supporting role it will play in energy-efficiency efforts, the individual technologies and approaches tested will vary from year to year with a goal to support continuous innovation and increase energy savings. NGS supported technologies or approaches are expected to eventually be layered into existing approved energy efficiency programs without the need for supplemental NGS program support.

NGS activities may include:

- Implementing outreach to program and/or trade allies, such as but not limited to, through dedicated workshops on the technologies or approaches, including installation instructions, requirements and operations and maintenance procedures; participation in industry conferences related to these technologies; close work with trade ally associations
- Developing curriculum and training courses for use in technical schools or higher education. Will coordinate with other utility Workforce Development initiatives as applicable. However, it is important to note that this training would be targeted to enhance the skill set of the existing workforce with specific new technologies or approaches.
- Providing incentives for program and/or trade allies that may need special software, diagnostics tools or other materials to support the purchase, installation and/or maintenance of these new technologies or approaches
- Conducting market research including surveys, focus groups, interviews, and due diligence reviews to understand the attractiveness, costs and suitability of the new technology or service for customers, program and/or trade allies, and other New Jersey stakeholders
- Conducting pilots where the technologies or service delivery innovations are offered to select groups of customers to measure performance on a wider scale, in preparation for a full offering in other EE programs
- Offering attractive incentives for customers and/or trade allies who are early adopters
- Educating market actors and other stakeholders by conducting on-line or in-person training events, and preparing marketing materials such as case studies, brochures and frequently-asked-question ("FAQ") documents
- Initiating other efforts to increase market acceptance of proven technologies and approaches
- Providing incentives based on expected energy savings or project cost, similar to custom calculated measures
- Direct funding to a manufacturer, distributor, contractor, retailer or host site to offset technology equipment or installation cost
- In-kind support, such as use of monitoring equipment, technical or administrative support for data collection and analysis, report preparation and promotion, etc.

Due to the intensive level of support contemplated for initiating broader market adoption and uncertainty regarding market participation, it is not feasible to accurately estimate the costs and benefits at this time. Accordingly, NGS should be exempt from the requirements set forth in MFR Part V. As technologies and approaches are ready to graduate from the NGS they will be subject to a review of their costs and benefits prior to adoption with traditional EE programs.

When a technology or approach is ready to "graduate" from the NGS program, participating utilities will complete a summary of the efforts conducted under this program, which may include the following, as appropriate:

- Participation and performance metrics
- Customer and program and/or trade ally feedback
- Identification of market barriers/unforeseen challenges with proposed remedies
- Training metrics – participation and feedback and identification of on-going training needs
- Updates on customer/program and/or trade ally recruitment
- Marketing and outreach plan

Target Market or Segment/Efficiency Targeted (MFR II.a.ii)

The program will support new technologies and approaches that are ready for broader adoption but need enhanced training, customer incentives, or other key elements to help the marketplace understand the value proposition and implement the measure. These new technologies may be targeted to the residential, multifamily, or C&I sectors.

Participating utilities will include periodic updates on NGS program activities as part of Utility Working Group and EE Stakeholder Meetings. However, potential examples within NGS include:

- Advanced duct sealing technology
- Air-to-Water Heat Pump systems
- Heat pumps for industrial applications
- Thermal imaging mapping
- Natural gas heat pumps

Technologies under NGS don't necessarily require further testing to prove their technical energy savings potential, but they do need considerable work to identify and address barriers to adoption in the marketplace. NGS will enhance stakeholder understanding of these barriers to market deployment and to develop strategies including training to address them.

Delivery Method

Participating utilities will utilize staff and/or third-party vendors to support technologies or approaches under this program, follow industry trends and research, assist in securing customers and program and/or trade allies interested in exploring new technologies or approaches, and support the coordination efforts.

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

Incentives may be developed for customers who are early adopters or may be provided at a mid-stream or upstream level. Supply Chain incentives for manufacturers or distributors may be an important strategy for some technologies.

Incentives are also anticipated to help support program and/or trade ally commitment to the technologies and approaches within this program.

Program and/or trade allies and customers who are the beneficiaries of incentives under this program will be required to share energy and pricing data, complete required surveys and support independent evaluation efforts.

Customer Financing Options (MFR II.a.v)

The program may include a financing component to support the growth of developing technologies and commercialization of new energy saving technologies.

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

Contractors and other program and/or trades allies, with an interest in expanding their knowledge and broadening the range of solutions they can offer customers, will benefit from this program. They will have the opportunity for training, potential funding for software, diagnostic tools or other materials, potential special incentives to offer program vendors and/or trade allies and customers who are early adopters, supporting marketing materials and other resources to help address market barriers.

Marketing Approach

NGS will begin to develop and implement customer outreach approaches, but this may not take on a traditional marketing approach. As a result, the program may provide targeted marketing efforts for customers, niche markets, identified through NGS and may include:

- Work with identified program and/or trade allies to develop relevant collateral
- Collaborate with technical and marketing staff to develop and syndicate white papers
- Develop tailored proposal and presentation kits
- Analyze and remarket to leads from other utility programs
- Engage business and trade organizations
- Identify potential customer demographics for targeted outreach campaigns
- Work with utility outreach staff/liaisons to identify existing customers with needs that can be addressed by the featured technologies or approaches.

Market Barriers

In addition to the market barriers identified in the utility marketing plans, this program would overcome several additional market barriers and lead to increased uptake of new technologies and approaches:

- **Program and Trade Allies Not Trained on Installation and Operations and Maintenance:** Many contractors and program and/or other trade allies may not be familiar with emerging technologies or new approaches and have limited resources to participate in industry courses. Lack of knowledge limits the range of solutions they can offer to customers and may also lead to the potential to dissuade a customer from trying new technologies or approaches. NGS will address this barrier through extensive training offerings, outreach to industry associations, funding for certain software, equipment or tools and supporting customer materials.
- **Integration with state and local building codes:** New technologies can often be introduced to the market before code officials have considered how to review the proper installation practices and/or have not been given accurate guidance. NGS intends to

address this barrier through coordination with the N.J. Department of Community Affairs and outreach to local code officials where applicable.

- **Supply Chain Challenges:** Emerging technologies are often unavailable, due to retailer/distributor failure to stock and service the new products. NGS will raise awareness and engage the New Jersey marketplace with information and case studies about the new technologies that are proven, by deployment test studies, to be high value additions to the energy efficiency programs. NGS will invest resources to familiarize program and/or trade ally partners of all types with the advantages of embracing and promoting new technologies to customers and may consider supply chain incentives.
- **Customer Acceptance of New Technologies or Approaches:** Due to the unique nature of these technologies or approaches and because the utilities will likely not market to a broad base of customers, we do not anticipate traditional marketing channels or campaigns. Potential customers will consist of knowledgeable buyers (often teams) who will analyze products in terms of user benefits. Participating utilities will develop specific customized materials for deployed technologies or approaches including:
    - Technical specifications
    - Benefits
    - Best practices
    - Industry case studies

Customer Access to Current and Historic Energy Usage Data (MFR II.b.iii)

Refer to Section 4.c of the Program Plan for a description of how each utility will provide customers with access to their energy data.

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

Not applicable.

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

Refer to Appendix B of the Program Plan for information on these MFRs.

3.b.ii BUILDING DECARBONIZATION PROGRAM

Program Description (MFR II.a.i)

The Building Decarbonization ("BD") Program is designed to promote the installation of heat pump and other electrification technologies by residential, multi-family, and C&I customers. The BD program will offer a range of measures and incentives which may cover the following equipment end-uses: space heating and cooling, water heating, cooking, laundry, and outdoor lawncare. Overall, the BD program is established to meet the guidance established by Staff in the T2 BD Start-up Programs Framework[1].

The BD program will build on the experience that RECO has gained from operating its Clean Heat Program in NY since 2020 and its Clean Heat Beneficial Electrification ("CHBE") Pilot Program during Triennium 1. This pilot program is modeled after the New York State Clean Heat Program Framework[2], including all procedures for determining measure eligibility and computing energy savings. Therefore, it will be a simple matter for RECO to transition its CHBE pilot program into the BD program at the start of Triennium 2.

The BD program is focused on encouraging customers to undergo fuel-switching, meaning the replacement of equipment powered by fossil-fuels with electric alternatives that provide the same utility while also using less on-site energy. The reason why these electric alternatives can use less energy is because they operate off advanced technologies such as heat pumps or induction which are significantly more efficient at producing mechanical energy that the combustion of fossil-fuels.

The most critical component of the BD program will be to ensure that all installed equipment meets the eligibility criteria and can therefore adequately satisfy the customer's expectations. As such, all space heating heat pump equipment must have the designation of a Cold-Climate Air Source Heat Pump ("ccASHP") as rated by the Northeast Energy Efficiency Partnership[3] ("NEEP") Product List, Consortium for Energy Efficiency[4] ("CEE") Product List, or by the U.S. Environmental Protection Agency ("EPA") Energy Star version 6.1[5] specification.

The BD program may incentivize the purchase of ccASHPs, ground-source or geothermal heat pumps, heat pump water heaters, heat pump clothes dryers, electric induction stoves, and other electrification equipment. A custom component will be utilized for larger commercial projects not eligible under the prescriptive rebate schedule. These electrification technologies can provide customers with the following:

---

[1] *Triennium 2 Building Decarbonization Start-up Programs Framework*, Attachment B of the BPU Order Directing Utilities to Propose Second Triennium Energy Efficiency and Peak Demand Reduction Programs issued July 26, 2023.

[2] See NYS Clean Heat Program Manual for Upstate Utilities version 9, issued on March 1, 2023.

[3] NEEP Product List can be found at ccASHP Specification & Product List | Northeast Energy Efficiency Partnerships (neep.org).

[4] CEE Product List can be found at Program Resources | Consortium for Energy Efficiency (cee1.org)

[5] Energy Star version 6.1 specification can be found at ENERGY STAR Program Requirements for Central Air Source Heat Pumps and Central Air Conditioners

- Less volatile annual energy bills, especially advantageous for customers with fixed, low, or moderate incomes and service-oriented institutions like nonprofits, schools, community centers, and houses of worship.
- Greater comfort and health because of added air conditioning and improved indoor air quality delivered by emissions-free technology.
- A long-term solution for the various home equipment end-use needs that are easier to maintain than fossil fuel alternatives.

Up-front rebates via a midstream delivery mechanism utilizing a network of trade allies or an online marketplace will also be offered to increase stocking patterns of electrification technologies and to reduce initial costs.

The BD program will increase adoption of electrification equipment by harnessing the contractor-customer relationship to positively impact the entire sales process including education and awareness of customers, engagement with trade ally contractors and equipment distributors and retailers, and providing access to no or low-cost financing.

RECO will utilize its third-party implementation contractor to assist with the administration, oversight, and delivery of the program. Activities will include efforts to raise awareness of the program, validating customer eligibility and processing incentives and conducting outreach to and securing partnerships with retailers, wholesalers, distributors, manufacturers and trade allies to assure all customers are able to easily purchase electrification equipment through the program. Customer engagement and sales channels may include:

- **Midstream Rebates:** RECO will pursue a midstream rebate component to encourage the purchase of electrification equipment. A third-party implementation contractor will work with distributors or manufacturers to assure that measures are available. Midstream rebates encourage market transformation and wider availability of electrification equipment. Products that are rebated via a midstream approach may be passed on or discounted to the customer.
- **Trade Allies:** The implementation contractor will establish a network of trade allies to promote the program with a consistent experience to the customer where applicable. The trade ally network will consist of qualified HVAC installation contractors, designers, ground-loop drillers, and other trade service professionals who meet all applicable program requirements for performing the respective service (e.g. HVAC license, insurance requirements). Trade allies will be able to leverage the program and offer customers rebates through their normal course of business.

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

The target market for this program will be all customers served by RECO. The program is focused on promoting the sale and installation of electrification equipment across all major residential, multi-family, and commercial end-use categories, and can be easily promoted to trade allies and customers via prescriptive or custom rebates. Technologies incentivized through this program may include air source heat pumps (mini-split or central), ground source heat pumps and

desuperheaters, heat pump water heaters, heat pump clothes dryers, electric induction stoves, and battery-powered lawncare equipment.

The utilities may offer enhanced incentives for Low-to-Moderate income (LMI) customers (up to 400% of federal poverty level) for certain products to assure that the program reaches all customer types. Eligibility for these enhanced incentives will follow the same LMI and OBC classification rules as used in the Energy Efficient Products Program.

Marketing Plan (MFR II.b.vii)

RECO and/or the third-party implementation contractor will implement both multi-pronged direct and indirect marketing campaigns to promote this program. Customers will be exposed to broad-based energy efficiency awareness campaigns, web-based engagement and information, digital advertising, social media and hard-copy materials to promote awareness, as well as tie-ins with other programs. Distributors, manufacturers, and trade allies will be contacted to develop networks and promote involvement in the program where applicable. RECO will also look to leverage the behavioral program for 'warm leads' into the program through both the home energy reports and online audit tool.

Targeting and promotion within this program will be enabled through intelligence gained through other programs or offerings, primarily behavioral HERs, HPwES, and the Efficient Products program. RECO will explore opportunities to provide customized information to customers with prioritized action items, to maximize availability and uptake.

The market development effort includes support for training and qualification of contractors, processes to assure quality installations, and marketing and education to help customers understand and select among options and to operate systems optimally. A combination of strategies will be used to train and support distributors and other program allies, including media advertising, outreach community forums, events, and direct outreach to customers. Marketing activities may include:

- Point of purchase displays and materials, joint advertising, coupons, and special "instant sales events"
- Public relations materials
- Brochures that describe the benefits and features of the program including application forms and processes. The brochures will be available for various public awareness events (community events, presentations, seminars etc.)
- Bill inserts, bill messages, email, Facebook, Twitter and other social media platforms, pop-up stores
- Company website content providing program information resources, contact information, online application forms, online retail store and links to other relevant service and information resources
- Customer representatives trained to promote the program to their customers

Presence at conferences and public events used to increase general awareness of the program and distribute program promotional materials

The primary market barriers that impact this program include:

- **Initial Cost of Efficient Equipment:** Relative to the market baseline, efficient equipment often carries a higher upfront cost but a lower lifetime operating cost. Customers often may not fully value the lifetime operating cost advantage of efficient equipment and, as a result, higher upfront cost is a barrier to purchasing efficient equipment. To address this barrier, incentives are provided to the customer to reduce the initial cost. Access to financing will also help mitigate the up-front cost barrier.
- **Customer Awareness and Engagement:** Customers may not be aware of the benefits of installing electrification equipment and realize the technology as a whole home solution and lack the time and resources to pursue efficient equipment when replacing existing equipment. To address this barrier, RECO and its implementation contractor will educate customers on the benefits of installing efficient equipment through targeted marketing, ensure that incentives are easily accessible, and encourage market transformation and stocking of efficient equipment through midstream incentives. Through outreach efforts, RECO will focus marketing, education, and outreach efforts on the trade ally community to ensure that trade allies are aware of available incentives and prepared to serve customers.
- **Landlord/Tenant Arrangements:** Split incentives between landlord/tenants with respect to who pays for energy use vs. who owns the energy-using equipment challenge investment decisions. To address this barrier, the program will be marketed to both landlords and tenants to assure that those exposed to energy costs are able to participate in the program.
- **Sufficient Stocking and Availability of Efficient Products:** RECO will look for opportunities to develop and promote a midstream component for specific equipment to encourage high levels of participation via incenting midstream market actors and/or directly discounting the cost of the efficient equipment at the point of sale.

RECO will seek to manage all barriers to program success through a commitment to applying best practices in program design, delivery, outreach, and marketing/advertising. Established customer communication channels, data, and brand in the marketplace will be leveraged to deliver best-practice programs that identify and confront market barriers on an ongoing basis. To the extent possible, RECO will cross-promote programs to spread awareness of the range of efficiency opportunities proposed in this plan.

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

A third-party implementation contractor will be responsible for identifying and engaging contractors and distributors dealing in electrification equipment to on-board them with the program vision, eligible products, rebates, and ways to participate. Additionally, the third-party implementation contractor will engage trade allies, including local HVAC and other contractors to educate them on program benefits and build a trade ally network which will reliably install electrification equipment for participating customers. The third-party implementation contractor will also monitor participation to assess the effectiveness of outreach efforts, incentive levels, delivery methods, and both program ally and trade ally availability to provide suggestions to assure that the program is continually providing customers with their needs.

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

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

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

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

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

Customer Financing Options (MFR II.a.v)

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

Benefit-Cost Analysis (MFR V.a)

Refer to Appendix E for the BCA Results for this program. RECO will utilize the feedback obtained from all market participants to improve the design and performance of the BD program during Triennium 2. For Triennium 3, the BD program will have a goal to achieve a benefit-to-cost ratio greater than or equal to 1.0 when using the NJCT.

Evaluation, Measurement, and Verification (MFR VI.a)

Refer to Section 4.e for the Evaluation, Measurement, and Verification ("EM&V") Plan for the BD program. Impact analysis of each electrification measure will strive to verify that fossil-fuel energy usage has been fully displaced and measure the performance of the new equipment, including actual operating efficiencies and hours of usage. The methodologies applied will conform with the current New Jersey EM&V guidance documents.

Customer Access to Current and Historic Energy Usage Data (MFR II.b.iii)

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

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

Refer to Appendix A for the information on these MFRs.

For measures where the NJ TRM does not define a fuel-switching methodology for estimating the energy savings impact, RECO intends to use the NY TRM[6].

Program Budget and Cost Categories (MFR II.a.ix) (MFR II.a.x)

Refer to Appendix B for the Summary of BD Program Budget and Cost Categories.

Proposed Quality Control Standards and Remediation Policies (MFR II.b.i)

Refer to Section 4.a for the Summary of Quality Control Standards and Remediation Policies for this program.

[6] New York Standard Approach for Estimating Energy Savings from Energy Efficiency Programs – Residential, Multi-Family, and Commercial/Industrial Measures, Version 10, Issue Date – December 30, 2022

3.b.iii DEMAND RESPONSE PROGRAM

Program Description (MFR II.b.i)

RECO will offer a Demand Response ("DR") program, emulating the existing pilot program that the Company is currently operating. The program will include a Direct Load Control Bring Your Own Device ("BYOD") program for residential and small commercial customers that are eligible to participate in the Company's C&I Direct Install Program, a behavioral DR component for residential customers, and a Commercial System Relief Program ("CSRP") option for commercial customers. The BYOD program will remotely control central heat pump and central air conditioning ("AC") equipment in residential customers' homes and small businesses during peak shaving or critical contingency events. The behavioral DR program will educate and engage residential customers, utilizing data analytics to provide personalized usage and demand history to establish an additional peak shaving resource. CSRP will serve as a peak shaving program that can be called on a day-ahead basis when the day-ahead forecast load approaches the Company's forecasted summer electric system peak.

These programs will provide incentives for reducing demand when called upon and will be used in conjunction with energy efficiency ("EE") programs to provide a holistic approach to customer engagement and program offerings. The BYOD program will leverage the Company's online marketplace and will enable combining the enrollment rebate with the EE rebate (from the Energy Efficient Products Program) for the smart thermostat purchase, resulting in reduced costs for the customer and additional benefits for both the customer and utility. Similarly, the behavioral DR program provides a no-cost opportunity for customers seeking to utilize billing and usage data and an educational and cost-saving resource. RECO will utilize CSRP to enhance the suite of available programs to commercial customers, seeking to pair DR with EE when possible and providing commercial customers with another revenue stream, and the utility with demand response resources. CSRP participants will have the opportunity to enroll directly, or through an aggregator/third-party energy supplier as part of an aggregation network.

The programs are designed to:

- Provide incentives for products and mechanisms that reduce energy use during peak times and facilitate the creation of holistic EE and DR programs that can be seamlessly paired together.
- Encourage residential and commercial customers to actively engage with their energy usage, providing opportunities for bill-savings and the creation of additional revenue streams.
- Provide a marketing mechanism for retailer and aggregators/third-party energy suppliers to promote demand response opportunities and/or products to end users.
- Ensure the participation process is clear, easy to understand and simple for the customer and aggregator/third-party energy supplier.

- Provide an additional opportunity for the online marketplace, which will streamline the customer journey, pair EE and DR rebates, and reduce up-front costs for smart thermostats.

BYOD Program Detail:

- The control device is a smart thermostat that is used to cycle the central AC unit. The smart thermostat connects to the customer's existing Wi-Fi router with no separate hardware needed. The smart thermostat provides reliable two-way communication, which allows the Company to accurately monitor event participation and verify load reduction. The baseline is calculated using an industry standard Weather Adjusted Customer-Baseline-Load ("CBL") methodology.
- During the event, the smart thermostat setpoint will be increased to an offset temperature and the AC unit and fan will be cycled intermittently to minimize discomfort in the home.
- Customers can override any event and are able to remotely control their central AC units online through a personal computer, smart phone, or tablet throughout the year. Customers can also opt out of program at any time.
- Customers have access to their energy usage data and event performance via an online portal hosted by RECO's third-party implementation vendor.

CSRP Program Detail:

- Customers agree to curtail load or integrate certain on-site generation to reduce their demand by a minimum of 50kW individually, or through aggregators who aggregate at least 50kW of demand reduction.
- Customers are notified via email at a minimum of 21 hours in advance of the upcoming peak event.
- The baseline is calculated using an industry standard Weather Adjusted Customer-Baseline-Load ("CBL") methodology, which is then combined with AMI data from during the event to quantify the load reduction.
- Customers and aggregators can receive their energy usage using one of the methods listed in Section 4.c.
- RECO will pay customers or third-party aggregators/energy service providers a monthly reservation payment from May – September, which will serve as the "Capability Period", and any applicable performance payments. Reservation payments will be calculated based on load reduction pledge, performance factor, and a fixed $/kW calculation. Performance payments will be calculated on actual load reduction during an event and a fixed $/kWh calculation. See Appendix H.
- There is no penalty for non-performance during an event.

RECO staff and/or a third-party implementation contractor(s) will assist with the administration, oversight, and delivery of the programs. RECO will explore the development of a Demand Response Management System ("DRMS") or Distributed Energy Resources Management System ("DERMS"), enabling the Company to manage residential and commercial resources, schedule and call demand response events, analyze performance data, tailor program offerings and process

payments, providing a streamlined, turnkey software platform for program management as the program matures.

Target Market or Segment (MFR II.b.i.2)

The target market for this program will be all electric customers served by RECO. The residential component is focused on promoting the sale and installation of program eligible smart thermostats that control a central heat pump or central AC unit and are connected to WiFi, along with educating customers on behavioral adjustments that could result in bill savings. The commercial component is primarily focused on energy users that can shed at least 50 kW, though smaller commercial customers can be aggregated into a network so long as the network exceeds 50 kW in total pledges. These commercial customers will provide load relief through a variety of strategies, including shifting operation processes to off-peak times, curtailing usage, or utilizing localized on-site generation.

Marketing Plan (MFR II.c.viii)

RECO will implement both multi-pronged direct and indirect marketing campaigns to promote this program. Residential demand response offerings will be marketed to customers both independently and in conjunction with broad-based energy efficiency awareness campaigns, web-based engagement and information, digital advertising, social media, and hard-copy materials to promote awareness. Retailers and trade allies will be contacted directly and through trade associations to develop networks to promote eligible product availability, point-of-sale rebates, and installation services. RECO staff will engage directly with commercial customers and aggregators/third-party energy service providers. The Company will leverage existing relationships and relationships developed through promoting C&I programs to promote CSRP.

The primary market barriers that impact this program include:

- **Lack of Familiarity with Demand Response Programs:** Currently, the New Jersey Office of Clean Energy does not offer demand response initiatives with incentives for either residential or commercial customers. Because of this, educating the customer base will be a key requirement in developing the DR portfolio. Furthermore, information regarding eligibility requirements must be conveyed in a simple, easy to understand manner to help facilitate a positive customer experience. (e.g., BYOT customers must have an eligible smart thermostat that controls a central heat pump or central AC unit, not just heat). The benefits and reasoning for offering DR programs also must be conveyed in an understandable manner, as customers are not as familiar with the concept of reducing peak demand.
- **Customer Awareness and Engagement:** Residential customers may not be aware of the benefits of installing efficient, demand response compatible thermostats and/or lack the time and resources to pursue and install smart thermostats. To address this barrier, the utilities will educate customers on the benefits of smart thermostats through targeted marketing, ensuring that incentives are easily accessible. Through outreach efforts, RECO will seek to partner with the trade ally community to ensure that customers that do not have the ability to install a smart thermostat themselves will have access to resources that can

assist in the installation process. Behavioral peak demand messaging engages customers with timely, personalized communications to motivate them to reduce energy demand during the most critical hours of the year.

- **Metering Infrastructure:** Commercial customers will need interval metering, either through legacy interval meters or through AMI. The Company has completed AMI deployment and therefore does not anticipate this to be a barrier for a majority of potential CSRP customers. RECO will be able to assist customers with holistic energy usage strategies by utilizing interval data, providing a value-added service.

Delivery Method, Contractor Roles and Implementation Plan (MFR II.b.i.7)

RECO will seek to procure a DRMS or DERMS platform, enabling the Company to manage residential and commercial resources, schedule and call demand response events, analyze performance data, tailor program offerings and process payments, providing a streamlined, turnkey software platform for program management. Additionally, the Company will market the program to both residential and commercial customers, both independently and in conjunction with EE program offerings, seeking to pair the EE and DR whenever possible. The Company will utilize tailored Home Energy Reports and assist commercial customers with forming comprehensive energy usage strategies. Eligible thermostats will be available in local retail stores along with the utility's online marketplace. RECO staff will also directly engage with commercial customers and aggregators/third-party energy suppliers to promote the program and help convey program benefits and potential revenue streams.

The CSRP program will allows an open network of aggregator contractors to install controls and/or enroll customers.

Existing and Proposed Incentives Ranges (MFR II.b.i.3)

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

Customer Financing Options (MFR II.b.i.6)

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

Customer Access to Current and Historic Energy Usage Data (MFR II.c.iv)

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

Projected Participants and Demand Reduction (MFR II.b.i.8-9, MFR VII)

Refer to Appendix A and G for the Summary of Participation and Demand Reduction associated with this program.

Program Budget (MFR II.b.i.10-11)

Refer to Appendix B for the Summary of Program Budgets and Cost Categories.

Proposed Quality Control Standards and Remediation Policies (MFR II.c.i)

Refer to Section 4.a for the Summary of Quality Control Standards and Remediation Policies for this program.

4. Portfolio Information

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

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

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

4.a QUALITY CONTROL AND CUSTOMER COMPLAINT RESOLUTION

[MFR II.b.i]

This section presents a general summary of RECO's quality assurance and control standards for each program and the customer complaint remediation policy.

1. Whole Home, Income-Qualified, Multifamily, C&I Direct Install Programs:

RECO will conduct a sampling of pre- and post- on-site inspections to confirm that contractor assessments are accurate, and that equipment installed meets the program eligibility guidelines. RECO internal staff and third-party contractors will perform on-site inspections designed to gauge both customer satisfaction and address any issues with program compliance. A data tracking system will help streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

2. Energy Efficient Products Program:

a) Downstream Initiatives -

Applications will include information necessary to verify that the customer and installed equipment meet the program qualification criteria. This includes confirming the customer account is eligible and the equipment make and model numbers meet the rebate requirements. In addition, the equipment serial numbers will be logged to prevent duplicate rebates issued for the same equipment. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

b) Midstream Initiatives -

RECO will work with its retailer and distributor partners to ensure that only Energy Star® qualified (or similar certification) equipment is incentivized. RECO's third-party implementation vendor will visit the location of all participating stores on a routine basis to verify that there is proper signage communicating the eligible equipment and discounts to customers and that the partner is tracking all data points necessary to calculate energy savings in accordance with program requirements.

3. Behavioral, Behavioral Demand Response, and Next Generation Savings Programs:

RECO will provide quality assurance on the Home Energy Reports ("HER") claimed savings by using the control group to benchmark the savings of the treatment group. This is performed using the industry accepted randomized-control-trial ("RCT") methodology. Furthermore, RECO will work with the implementation vendor to monitor the performance of the Next Generation Savings program and develop an appropriate methodology to quantify the energy impacts that it has on participating customers.

4. Commercial & Industrial Rebate Program:

a) Downstream Prescriptive Initiatives -

Applications will include information necessary to verify that the customer and installed equipment meet the program qualification criteria. This includes confirming the customer account is eligible and the equipment make and model numbers meet the rebate requirements. In addition, the equipment serial numbers will be logged to ensure that only unique serial numbers are rebated to prevent duplicate rebates issued for the same equipment. RECO and third-party contractors will perform on-site verification inspections for at least 10% percent of participants to confirm that equipment is purchased and installed as required to meet the program guidelines. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

b) Midstream Prescriptive Initiatives -

RECO will work with its retailer/distributor partners to ensure that Energy Star® or better HVAC and lighting equipment is incentivized, and that the partner is able to track all equipment purchased through the program. RECO and third-party contractors will perform on-site verification inspections for at least 10% of participants to confirm that equipment is purchased and installed as required to meet program guidelines. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

c) Custom and Energy Solutions Initiatives -

RECO will conduct pre- and post inspections on all custom and energy solutions projects to determine the existing baseline conditions and post-inspections to determine if the project was installed as approved. RECO staff and third-party contractors will be engaged in performing on-site inspection designed to gauge both customer satisfaction and address any issues with program compliance. A sample of projects will be selected to undergo a more rigorous measurement and verification ("M&V") process using the International Performance M&V Protocol ("IPMVP") to more accurately quantify the energy savings impact. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

5. Building Decarbonization Program:

Applications will include information necessary to verify that the customer and installed equipment meet the program qualification criteria. This includes confirming the customer account is eligible and the equipment make and model numbers meet the rebate requirements. In addition, the equipment serial numbers will be logged to ensure that only unique serial numbers are rebated to prevent duplicate rebates issued for the same equipment. RECO and third-party contractors will perform on-site verification inspections for at least 10% percent of participants to confirm that equipment is purchased and installed as required to meet the program guidelines. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

6. Demand Response Program:

a) Bring Your Own Device Initiative -

Applications will include information necessary to verify that the customer and enrolled device meets the program qualification criteria. This includes confirming the customer account is eligible and the device's serial numbers will be logged to prevent duplicate rebates issued for the same serial number. The implementation contractor will monitor customer performance during peak events to ensure that no actual demand reduction is attributed to devices that opted out of participating. The achieved demand reduction is measured using the industry accepted weather-adjusted customer-baseline-load ("CBL") methodology. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

b) Commercial System Relief Program Initiative -

RECO will work with direct participants and aggregators (e.g. third-party energy suppliers) to analyze their baseline demand data and develop demand response opportunities. RECO will utilize the participant's AMI meter data and the industry accepted weather-adjusted customer-baseline-load ("CBL") methodology to quantify the actual demand reduction achieved during peak events. A data tracking system will streamline rebate processing, increase productivity, and minimize reporting inaccuracies.

Customer Complaint Remediation Policy for all Programs:

RECO will be responsible for addressing all customer complaints in an expeditious manner. All contractors will inform the Company within 24 hours of any customer complaints received during normal business hours and work in collaboration to develop and implement the appropriate resolution.

4.b WORKFORCE DEVELOPMENT AND JOB TRAINING

[MFR II.b.ii]

RECO recognizes the importance of developing and supporting a strong Workforce to realize the ambitious targets of the Clean Energy Act of 2018 ("CEA"). Developing a qualified workforce is critical to the New Jersey's clean energy future. RECO seeks to create economic opportunities and sustainable careers through supporting the hiring need of trades, program partners, distributors, manufacturers, and organizations currently supporting workforce development to maintain the momentum gained in Triennium 1.

RECO may collaborate with other utilities within the state with the objective of enhancing and expanding workforce development efforts in clean energy and by providing thought leadership, identifying community partners, coordinating topic focused training partners, and identifying and developing a diverse network. RECO's goal is to train underqualified workers who are looking to switch industries for new jobs in clean energy and to sharpen the capabilities of experienced trades through continuous education and skills training to advance energy efficiency program impacts.

Rockland Electric's Workforce Development Program will enhance job recruiting in our region, collaborate with emerging Utility and State Workforce programs. In addition, RECO shall offer training to advance the competencies of trades participating in energy efficiency, demand response, and building decarbonization programs while promoting diversity within the clean energy industry.

RECO will strive to expand the diversity of program partnerships through events with community-based organizations and established groups like the NJ BPU Supplier Diversity Development Council (SDDC). These recruiting and collaborative events will provide perspective Minority-Owned, Women-Owned, and Veteran Owned opportunities to build their business and expand capacity in clean energy.

RECO desires to collaborate where appropriate with the State, the Workforce Development Working Group, and Equity Working Group. RECO is interested in being an active participant in the Workforce Development Working Group and Utilities to share anticipated program hiring needs and the hiring needs of our trade ally network to develop a robust pipeline of workers able to meet the needs of a growing energy efficiency industry in New Jersey and to ensure that local, underrepresented, and disadvantaged workers are included in those opportunities. RECO will leverage utility and state enabled technology platforms to highlight jobs across the state where appropriate. RECO will coordinate resources across business functions (Customer Energy Services, Community Affairs, Procurement, Customer Service, etc.) to build relationships with community-based organizations to expand the outreach of our programs and provide opportunities for candidates who reside in our communities to deliver and support energy efficiency efforts in their in their community. With a commitment to growing a diverse network, RECO may assist in certification of Minority, Women, or Veteran Owned Businesses that support our customers and

the New Jersey Clean Energy landscape and industry specific contractor coaching and mentoring of diverse business enterprises.

In an effort for the Utilities to reach the aggressive energy efficiency goals, New Jersey will not only need to increase the number of trained professionals and skilled trades persons but will need to assure proficiency and continuous education on new and ever-changing technologies and techniques to diagnose, scope, sell, educate, and deliver to program standards with increasing rigor. RECO's workforce development efforts look to support Energy Auditors, HVAC Technicians, Plumbers, Electricians, Building Envelope Professionals, Analysts, Engineers, Outreach and Customer Service Representatives, Facility and Maintenance Staff, Distributors, and Retailers.

We recognize that these positions require a broad range of technical training and education experience and that is in our interest to partner with Regionally based vocational institutions, technical and industry specific trade schools, community colleges, a local university, and community-based organizations and non-profits. Incrementally, RECO sees the value in entry level candidates and the companies they work for needing a true and sustainable career ladder. We understand the value of working with established organizations such as the New Jersey Air Conditioners Contractors Association (NJACCA), the New Jersey Association of Plumbing, Heating and Cooling Contractors (NJPHCC) and the New Jersey Association of Energy Engineers (NJAEE) providing industry leadership and guidance to businesses on energy efficiency program delivery. RECO looks to support candidate seeking industry specific accreditation programs such as the Building Performance Institute (BPI) for building science, the Environmental Protection Agency (EPA) for lead and refrigerant handling safe practices, North American Technical Excellence (NATE) for HVAC/R, and specialized certifications unique to emerging technologies through training. In addition to training sponsorship in industry recognized training, RECO may offer enhanced equipment incentives to offset the needed investment in industry specific tools and equipment for trade partners.

Budget Consideration

RECO included a $300,000 proposed budget for Workforce Development and those costs have been reflected within Appendix B. This budget is established to spark regional workforce development activities benefiting RECO rate payers and to collaborate with other Utility lead workforce initiatives. In the event that the State identifies additional funding sources, RECO may expand our collaborative support to drive workforce and diversity outcomes throughout the state.

4.c CUSTOMER DATA ACCESS

[MFR II.b.iii]

RECO has completed the deployment of Advanced Metering Infrastructure ("AMI") across all residential and commercial customers within its service territory. Using AMI, the Company can share granular usage data with customers through Home Energy Reports ("HERs"), weekly AMI reports, and the customer's My Account portal. This usage data provides customers with visibility into their own unique usage patterns and gives them the information to help them make more informed decisions to reduce their utility bills through active management of their usage.

Customers can also play an active role in providing benefits to the electric grid by managing their consumption to support peak load reduction either themselves or through a third-party. RECO has several applications that enable customers to easily share their data with third parties, provided that a customer consent form is signed and subject to all applicable privacy and security provisions. Below are two examples:

- **Energy Star Portfolio Manager ("ESPM") Benchmarking:** RECO has enabled customers who own a covered building (25,000 sq. ft. or larger) or an authorized third-party, to request the aggregated electric usage data for the most recent 12 month period. This aggregated data includes the usage of all residential or commercial tenants within the building. The data can then be entered into Department of Energy's ESPM tool which will benchmark the building's total energy performance against all other similar buildings within the system.

- **Green Button Connect:** RECO also enables customer data sharing through the implementation of Green Button Connect ("GBC"). GBC is a national data sharing standard that allows customers to authorize registered third-parties to access the customer's energy data through an automated process in machine-readable format. It provides a reliable protocol for customer authorization, data transfer, data formatting, and data exchange.

4.d MARKETING PLAN

[MFR II.b.vii]

RECO will develop and implement a multi-pronged direct and indirect marketing campaign to promote the residential and non-residential programs to all eligible customers across RECO territory. Customers will be exposed to broad-based energy efficiency awareness campaigns, web-based engagement and information, digital advertising, email, direct mail, and hard-copy materials to promote awareness, as well as tie-ins with other RECO initiatives. RECO acknowledges the importance of developing trade ally networks and point of purchase decision making. Retailers, wholesalers, and trade allies will be contacted directly, through trade associations, and emails to develop networks and promote involvement in the program. Point-of-purchase signage will be placed near discounted/rebated products in participating retail stores and distributors. My ORU Marketplace will continue to engage customers in a unique way that places select energy efficiency products and services at their fingertips.

RECO will expand our program promotion by engaging community partners, faith-based organizations, chambers of commerce, B2B groups, and other local organizations including those comprised of underrepresented and socially or economically disadvantaged individuals, especially those who live within the boundaries of overburdened communities (OBC). Customer Energy Education is a core element of our marketing and program promotional approach. Educating home and building owners and operators about the benefits of energy efficiency improvements and improved systems performance, including educational brochures, customer and market provider seminars, program promotional materials, and website content will be key to promoting the programs. RECO will also leverage existing relationships with municipalities, universities, schools, and other public agencies to promote programs relevant to those facilities and the communities they serve.

RECO programs are designed to minimize barriers to participation, including addressing issues of customer awareness, split incentives resulting from landlord/tenant arrangements, the availability of energy efficient products, the upfront costs of energy efficiency upgrades and how to overcome health and safety barriers, among others. On an ongoing basis the program implementation teams identify barriers to participation and will develop a marketing team that works closely to align marketing strategies and appropriate acquisition costs.

This may include strategies such as marketing materials in different languages where appropriate, or targeted marketing campaigns to hard-to-reach customers. The marketing approach will support increasing access to programs by conducting outreach to a wide variety of potentially eligible customers, building awareness of programs, energy savings and decarbonization opportunities. RECO is committed to overcoming barriers to program access through a commitment to applying best practices in program design, delivery, outreach, and marketing/advertising. Marketing tactics may include the use of social media, direct mail, bill inserts, community-based organization (CBO) outreach, behavioral report marketing modules, surveys, search engine analytics, technical briefs, info graphics, local Sustainable Jersey community leaders, equipment and technology fact sheets,

buying guides, trade ally and property manager engagement events, case studies, a digital newsletter, community and trade ally tool-boxes with resources to directly promote programs. Customer inquiries will be supported by a highly trained Customer Energy Services Team providing more direct pathways to program participation. Probable Low- and Moderate-income customers especially residing in an OBC, categorically eligible, and payment troubled will be provided simplified pathways to ensure an equitable access to energy efficiency and alignment with the best program that matches their building structure, family size, and income level.

RECO's established customer communication channels, data, and brand in the market will all be leveraged to deliver programs that identify and confront market barriers on an ongoing basis. RECO will continue to engage with the BPU Marketing Group and coordinate with Joint Utilities on marketing strategies that evolve to market barriers in each of the market segments. To the extent possible, RECO will cross-promote programs and develop nurturing campaigns to spread awareness of the range of energy efficiency and decarbonization programs.

4.e EVALUATION MEASUREMENT & VERIFICATION PLAN

[MFR IV.a]

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

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

Common Definitions and Objectives

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

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

That same guide provides the following standard categories of evaluations:

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

- **Process evaluations:** formative, systematic assessments of an EE program from both a customer and program administrator viewpoint. Process evaluations document program operations and identify and recommend improvements that are likely to increase the program's efficiency or effectiveness for acquiring EE resources and improve the customer experience with the program.
- **Market evaluations:** assessments of structure or functioning of a market, the behavior of market participants, and/or market changes that result from one or more program efforts. Market evaluation studies may include estimates of the current market role of energy-efficiency (market baselines), as well as the potential role of efficiency in a local, state, regional, or national market (potential studies). Market evaluation studies indicate how the overall supply chain and market for EE products works and how they have been affected by a program(s). These evaluations can also include assessments of other societal, customer, or utility benefits of EE programs, such as the economic and job creation impacts of the programs, health benefits to society, or T&D benefits to utilities. And finally, these studies can also be used to inform changes to the portfolio of efficiency measures to be offered to customers, or the savings achieved by the measures.

Monitoring and Improving Program and Portfolio Performance

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

Budget Considerations for EM&V Work

As noted, proposed budgets for EM&V are reflected in Appendix B. These budgets were established at or below the industry standard for this type of work[7], excluding the cost of financing and any anticipated costs associated with additional studies performed at direction of the BPU Staff or the EM&V Working Group.

TRM Considerations

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

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

4.f REPORTING PLAN

[MFR VIII]

The utilities will continue to comply with the reporting requirements for energy efficiency, demand response and building decarbonization programs as outlined in the BPU's May 24 and July 26 Energy Efficiency Framework Orders, as well as related guidance by Staff and the Board of Public Utilities.

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

4.g OBC STANDARDIZATION

Utilities will focus their efforts to provide equitable access to energy efficiency for residential customers residing in an Overburdened Community ("OBC") that is defined by a low-income designation. In accordance with treatment during the First Triennial and guidance from BPU Staff, only customers in the following OBC categories, as defined by the New Jersey Department of Environmental Protection[8] ("DEP") will be tracked and reported:

- Low Income
- Low Income and Limited English
- Low Income and Minority
- Low Income, Minority, and Limited English

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

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

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

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

4.h FINANCING DESCRIPTION

[MFR II.a.v]

RECO will partner with a third-party lender to provide the below financing opportunities for customers participating in each program. All qualified financing offers will feature below market-value interest rates that are incentivized by RECO in addition to the regular measure incentives covered by the program.

Program Financing Overview			
Program	**Eligibility**	**Terms[9]**	
Whole Home	Comprehensive retrofit projects, balance of project cost	Maximum to be financed	Up to $25,000
		Interest Rate	Up to 2.99%
		Term	Up to 7 years <=$10,000; Up to 10 years > $10,000
Efficient Products	Efficient program eligible major appliances, HVAC and water heating equipment	Maximum to be financed	Up to $25,000
		Interest Rate	Up to 2.99%
		Term	Up to 7 years
Multifamily	Comprehensive retrofit projects, prescriptive/custom equipment, Engineered Solutions projects, balance of program eligible project cost	Maximum to be financed	Up to $3,000/unit and Balance of Project Cost
		Interest Rate	Up to 2.99%
		Term	Up to 10 years, depending on eligibility
Energy Solutions	Comprehensive retrofit projects, prescriptive/custom equipment, Engineered Solutions projects, balance of program eligible project cost	Maximum to be financed	UP to Balance of Project Cost
		Interest Rate	Up to 2.99%
		Term	Up to 5 years
Direct Install	Balance of program eligible project cost	Maximum to be financed	Up to Balance of Project Cost
		Interest Rate	Up to 2.99%
		Term	Up to 7 years
Prescriptive/Custom	Efficient program eligible Prescriptive/Custom equipment	Maximum to be financed	Up to Balance of Project Cost
		Interest Rate	Up to 2.99%

[9] Minimum amounts to be financed may be required based on program, economic or other market conditions.

		Term	Up to 5 years
Building Decarbonization	Balance of program eligible project cost	Maximum to be financed	Up to Balance of Project Cost
		Interest Rate	Up to 2.99%
		Term	Up to 7 years

5. Consistent Delivery in Overlapping Territory

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

In response to the New Jersey Board of Public Utilities' Framework Orders[10] directing each electric public utility and gas public utility in the State of New Jersey to establish energy efficiency ("EE") and peak demand reduction ("PDR") programs for the second triennium of programs implemented pursuant to the Clean Energy Act of 2018, the New Jersey investor-owned electric and gas utilities are collaborating in order to implement programs in a consistent manner and develop supportive processes, procedures, requirements, and forms.

Coordinated Program Offerings

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

Core Offerings[11]

- Whole Home
- Income Qualified[12]
- Energy Efficient Products
- Energy Solutions
- Direct Install
- Prescriptive & Custom
- Multifamily

Additional Utility-Led Offerings

- Next Generation Savings (depending upon the project/technology)

[10] See June 10, 2020 Order, BPU Docket Nos. QO19010040, QO19060748, and QO17091004; May 24, 2023 Order, BPU Docket Nos. QO19010040, QO23030150 & QO17091004; and July 26, 2023 Order, BPU Docket Nos. QO19010040, QO23030150 & QO17091004

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

[12] Income Qualified represents the proposed combination of the current Moderate Income Weatherization program with Comfort Partners. As noted in the Comfort Partner Transition Plan (Appendix I), Comfort Partners projects would continue to be coordinated through existing information systems for the initial year of 2nd Triennial.

Interconnected Tracking Systems

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

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

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

Statewide Coordinator System Responsibilities

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

Utility Responsibilities

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

- Customer enrollment

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

Coordinated Program Elements

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

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

Program Assumptions

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

Budgeting

The Utilities recognize the importance of creating a solution that allows a Lead Utility to pursue their approved program portfolio to ensure they are able to meet their Clean Energy Act obligations and to be in a position to support any shared or cross-fuel energy savings from their Partner Utility. It is critical that such a structure minimizes the potential for any disruption to the market and provides customers with equitable access to the programs, regardless of their geographic location. Given the fact that it is impossible to predict where the energy savings will occur within a utility's service territory, it is not practical to determine what a utility's potential budget obligation could be from specific overlapping utilities. The utilities have proposed an approach that will minimize the potential for cross-subsidization that exists under the existing mechanism. Under this approach, the customers of each utility would support the costs specific to the fuel that utility provides. As a result, the utilities have developed a proposed budget adjustment mechanism, which is outlined in each utility's Petition.

6. Appendices

As noted above, all of the appendices are formatted similarly and in the same order, but present utility-specific information, with the exception of Appendix I: Comfort Partners Transition Plan which is consistent for all utilities. Appendix H: Incentive Ranges is formatted similarly, but has some variation due to differences in utility specific program proposals.

6.a APPENDIX A - Program Participation and Energy Savings

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

Program	PY4 Participants	PY4 Net Annual Energy Savings (kwh)	PY4 Net Annual Energy Savings (therms)	PY5 Participants	PY5 Net Annual Energy Savings (kwh)	PY5 Net Annual Energy Savings (therms)	PY6 Participants	PY6 Net Annual Energy Savings (kwh)	PY6 Net Annual Energy Savings (therms)	Total Participants	Total Net Annual Energy Savings (kwh)	Total Net Annual Energy Savings (therms)
C&I Direct Install	68	3,295,289	95,471	204	5,411,469	283,303	206	5,168,823	286,747	478	13,875,582	665,521
C&I Prescriptive/Custom	91	3,202,682	138,599	131	12,298,697	576,247	130	11,633,068	571,653	352	27,134,447	1,286,499
Energy Solutions for Business	10	2,585	-	10	2,585	-	10	2,585	-	30	7,756	-
Multifamily	141	52,099	430	381	144,670	2,485	383	145,579	2,485	905	342,348	5,399
Residential Efficient Products	5,131	614,471	65,745	8,767	987,507	90,324	11,230	1,309,303	114,392	25,128	2,911,281	270,461
Whole Home	170	105,432	19,825	340	202,663	39,051	400	214,568	41,142	910	522,663	100,018
Income Qualified	147	99,476	24,610	645	196,182	49,089	649	195,501	48,991	1,441	491,159	122,691
Behavioral	19,320	1,932,000	-	34,200	3,420,000	-	35,700	3,570,000	-	35,700	8,922,000	-
Next Generation Savings	1	-	-	1	-	-	1	-	-	3	-	-
Peak Demand Reduction	-	-	-	19,000	-	-	20,200	-	-	20,200	-	-
Building Decarbonization	43	342,964	-	127	1,000,227	-	160	1,274,573	-	330	2,617,764	-
Portfolio Total	**25,122**	**9,647,000**	**344,680**	**63,806**	**23,664,000**	**1,040,499**	**69,069**	**23,514,000**	**1,065,410**	**85,477**	**56,825,000**	**2,450,588**

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

6.b APPENDIX B - Program Budgets

[MFRs I.d, II.a.ix, II.a.x, IV.f, V.c]

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

Program Year 4	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
C&I Direct Install		$120,000	$20,000	$361,429	$1,511,860	$12,500	$90,000			$25,000	**$2,140,788**
C&I Prescriptive/Custom		$140,000	$40,000	$255,929	$1,032,801	$25,000	$140,000				**$1,633,729**
Energy Solutions for Business		$10,000	$0	$200,000	$5,000	$1,667	$10,000				**$226,667**
Multifamily		$10,000	$4,000	$80,000	$54,374	$4,167	$10,000		$5,000	$25,000	**$192,541**
Residential Efficient Products		$140,000	$110,000	$464,429	$1,183,915	$10,833	$60,000				**$1,969,177**
Whole Home		$80,000	$60,000	$260,714	$427,026	$10,833	$20,000	$100,000		$50,000	**$1,008,574**
Income Qualified		$60,000	$40,000	$235,000	$537,906	$22,500	$10,000	$487,500	$30,000	$100,000	**$1,522,906**
Behavioral		$20,000	$0	$80,000	$0	$0	$20,000				**$120,000**
Next Generation Savings		$0	$0	$300,000	$0	$0	$0				**$300,000**
Peak Demand Reduction		$40,000	$6,000	$160,000	$0	$0	$10,000				**$216,000**
Building Decarbonization		$80,000	$20,000	$150,000	$382,500	$12,500	$30,000		$25,000		**$700,000**
Portfolio Total	**$0**	**$700,000**	**$300,000**	**$2,547,500**	**$5,135,382**	**$100,000**	**$400,000**	**$587,500**	**$60,000**	**$200,000**	**$10,030,382**

Program Year 5	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
C&I Direct Install		$240,000	$40,000	$534,286	$3,416,338	$31,250	$180,000			$50,000	**$4,491,873**
C&I Prescriptive/Custom		$280,000	$80,000	$358,286	$4,584,853	$62,500	$280,000				**$5,645,639**
Energy Solutions for Business		$20,000	$0	$355,000	$5,000	$4,167	$20,000				**$404,167**
Multifamily		$20,000	$8,000	$160,000	$170,420	$10,417	$20,000	$0	$10,000	$50,000	**$448,836**
Residential Efficient Products		$280,000	$220,000	$760,286	$1,872,998	$27,083	$120,000				**$3,280,367**
Whole Home		$160,000	$120,000	$449,643	$846,676	$27,083	$40,000	$200,000		$100,000	**$1,943,402**
Income Qualified		$120,000	$80,000	$192,500	$1,074,670	$56,250	$20,000	$975,000	$60,000	$200,000	**$2,778,420**
Behavioral		$40,000	$0	$160,000	$0	$0	$40,000				**$240,000**
Next Generation Savings		$0	$0	$800,000	$0	$0	$0				**$800,000**
Peak Demand Reduction		$80,000	$12,000	$230,000	$103,433	$0	$20,000				**$445,433**
Building Decarbonization		$160,000	$40,000	$300,000	$1,138,400	$31,250	$60,000		$50,000		**$1,779,650**
Portfolio Total		**$1,400,000**	**$600,000**	**$4,300,000**	**$13,212,788**	**$250,000**	**$800,000**	**$1,175,000**	**$120,000**	**$400,000**	**$22,257,788**

Program Year 6	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
C&I Direct Install		$240,000	$40,000	$524,286	$3,443,476	$31,250	$180,000			$25,000	**$4,484,012**
C&I Prescriptive/Custom		$280,000	$80,000	$358,286	$4,740,757	$62,500	$280,000				**$5,801,543**
Energy Solutions for Business		$20,000	$0	$345,000	$5,000	$4,167	$20,000				**$394,167**
Multifamily		$20,000	$8,000	$160,000	$171,248	$10,417	$20,000	$0	$5,000	$25,000	**$419,665**
Residential Efficient Products		$280,000	$220,000	$760,286	$2,590,089	$27,083	$120,000				**$3,997,458**
Whole Home		$160,000	$120,000	$449,643	$889,303	$27,083	$40,000	$200,000		$50,000	**$1,936,029**
Income Qualified		$120,000	$80,000	$132,500	$1,074,710	$56,250	$20,000	$975,000	$30,000	$100,000	**$2,588,460**
Behavioral		$40,000	$0	$160,000	$0	$0	$40,000				**$240,000**
Next Generation Savings		$0	$0	$300,000	$0	$0	$0				**$300,000**
Peak Demand Reduction		$80,000	$12,000	$210,000	$118,167	$0	$20,000				**$440,167**
Building Decarbonization		$160,000	$40,000	$300,000	$1,417,200	$31,250	$60,000		$25,000		**$2,033,450**
Portfolio Total		**$1,400,000**	**$600,000**	**$3,700,000**	**$14,449,950**	**$250,000**	**$800,000**	**$1,175,000**	**$60,000**	**$200,000**	**$22,634,950**

Total Program Years 4-6	Capital Cost	Utility Admin-istration	Marketing and Outreach	Outside Services	Incentives - Rebates and Loans	Inspections and QC	Evaluation	Health & Safety	Workforce Development	Outreach to Community-Based Organizations	Total Budget
C&I Direct Install	$0	$600,000	$100,000	$1,420,000	$8,371,673	$75,000	$450,000			$100,000	**$11,116,673**
C&I Prescriptive/Custom	$0	$700,000	$200,000	$972,500	$10,358,411	$150,000	$700,000				**$13,080,911**
Energy Solutions for Business	$0	$50,000	$0	$900,000	$15,000	$10,000	$50,000				**$1,025,000**
Multifamily	$0	$50,000	$20,000	$400,000	$396,043	$25,000	$50,000	$0	$20,000	$100,000	**$1,061,043**
Residential Efficient Products	$0	$700,000	$550,000	$1,985,000	$5,647,002	$65,000	$300,000				**$9,247,002**
Whole Home	$0	$400,000	$300,000	$1,160,000	$2,163,005	$65,000	$100,000	$500,000		$200,000	**$4,888,005**
Income Qualified	$0	$300,000	$200,000	$560,000	$2,687,286	$135,000	$50,000	$2,437,500	$120,000	$400,000	**$6,889,786**
Behavioral	$0	$100,000	$0	$400,000	$0	$0	$100,000				**$600,000**
Next Generation Savings	$0	$0	$0	$1,400,000	$0	$0	$0				**$1,400,000**
Peak Demand Reduction	$0	$200,000	$30,000	$600,000	$221,600	$0	$50,000				**$1,101,600**
Building Decarbonization	$0	$400,000	$100,000	$750,000	$2,938,100	$75,000	$150,000		$100,000		**$4,513,100**
Portfolio Total	**$0**	**$3,500,000**	**$1,500,000**	**$10,547,500**	**$32,798,120**	**$600,000**	**$2,000,000**	**$2,937,500**	**$240,000**	**$800,000**	**$54,923,120**

6.c APPENDIX C - Total Budget Summary

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

Program Year	Total Budget Summary	Lead Program Budget
Program Year 4	$10,030,382	$8,694,382
Program Year 5	$22,257,788	$18,992,705
Program Year 6	$22,634,950	$19,621,333
Portfolio Total	$54,923,120	$47,308,420

*** Total includes investment & administrative costs*

1 The Lead Program Budget in Column D includes only the budgets for coordinated programs in which costs are shared. Shared programs: Whole Home, Income Qualified, EE Products, Energy Solutions, Direct Install, Prescriptive & Custom, Multifamily

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

6.d APPENDIX D - Cost to Achieve Forecast

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

	Energy Efficiency Programs		Demand Response Program	Building Decarbonization Program
Sector	**Total $/ Lifetime kWh**	**Total $/ Lifetime Therms**	**Total $/ Lifetime kW**	**Total $/ Lifetime MMBtu**
Residential	**$0.42**			
C&I	**$0.05**			
Multifamily	**$0.29**			
Building Decarbonization				**$27.91**
Demand Response			**$117.81**	

**** Only include lead fuel budgets and savings.***
***** Cost to Achieve include health & safety costs; excludes financing principal, Next Generation Savings***

6.e APPENDIX E - BCA Results

[MFR I.f, II.b.v, V.a]

Appendix E: Benefit Cost Analysis (MFR II.b.v; MFR V.a through MFR V.e)

Cost Test		Total Residential Programs	Total Commercial & Industrial Programs	Total Cross-Sector Programs	Total Portfolio	C&I Direct Install	C&I Prescriptive/Custom	Energy Solutions for Business	Multifamily	Residential Efficient Products	Whole Home	Income Qualified	Behavioral	Next Generation Savings	Peak Demand Reduction	Building Decarbonization
Total Resource Costs Tests (TRC)																
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)	$27,050,760	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652	$4,850,253	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398	$3,011,048	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)	$1,706,467	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
Lifetime Avoided RPS REC Purchase Costs		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
Lifetime Avoided Wholesale Volatility Costs (E&G)		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
Lifetime Avoided T&D Costs (E&G)		$931,028	$12,200,158	$823,832	$13,933,995	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
Lifetime Avoided Delivered Fuels Costs		$0	$0	$1,046,968	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,046,968
	Total Benefit	**$5,157,744**	**$44,110,365**	**$1,660,471**	**$50,552,522**	**$14,047,545**	**$30,060,818**	**$2,001**	**$250,176**	**$2,584,291**	**$895,950**	**$1,224,190**	**$453,313**	**$0**	**$1,034,237**	**$626,234**
Lifetime Incremental Costs		$10,803,641	$23,756,926	$3,472,115	$35,759,556	$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051
Lifetime Administration Costs**		$7,470,000	$6,377,500	$2,355,000	$15,272,500	$2,645,000	$2,722,500	$1,010,000	$545,000	$3,600,000	$2,025,000	$1,245,000	$600,000	$0	$880,000	$1,475,000
	Total Costs	**$18,273,641**	**$30,134,426**	**$5,827,115**	**$51,032,056**	**$13,583,777**	**$15,534,561**	**$1,016,088**	**$799,925**	**$9,857,765**	**$3,872,593**	**$3,943,283**	**$600,000**	**$0**	**$1,824,064**	**$4,003,051**
	Benefit-Cost Ratio	***0.28***	***1.46***	***0.28***	***0.99***	***1.03***	***1.94***	***0.00***	***0.31***	***0.26***	***0.23***	***0.31***	***0.76***	***n/a***	***0.57***	***0.16***
Participant Cost Test (PCT)																
Lifetime Avoided Retail Electric Costs		$3,429,909	$36,814,038	($1,541,645)	$40,492,306	$11,224,062	$25,588,345	$1,631	$248,358	$1,887,340	$441,328	$471,017	$630,224	$0	$0	($1,541,645)
Lifetime Avoided Retail Natural Gas Costs		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
Lifetime Program Incentive Costs		$10,497,292	$18,745,085	$3,159,700	$29,860,020	$8,371,673	$10,358,411	$15,000	$396,043	$5,647,002	$2,163,005	$2,687,286	$0	$0	$221,600	$2,938,100
Lifetime Time-Value of Loan Repayments		$521,190	$341,470	$179,721	$898,604	$179,721	$161,749	$0	$35,944	$269,581	$251,609	$0	$0	$0	$0	$179,721
	Total Benefit	**$14,448,392**	**$55,900,593**	**$1,797,776**	**$71,250,929**	**$19,775,456**	**$36,108,506**	**$16,631**	**$680,345**	**$7,803,923**	**$2,855,942**	**$3,158,303**	**$630,224**	**$0**	**$221,600**	**$1,576,176**
Lifetime Participant Costs		$10,803,641	$23,756,926	$3,472,115	$35,759,556	$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051
	Total Costs	**$10,803,641**	**$23,756,926**	**$3,472,115**	**$35,759,556**	**$10,938,777**	**$12,812,061**	**$6,088**	**$254,925**	**$6,257,765**	**$1,847,593**	**$2,698,283**	**$0**	**$0**	**$944,064**	**$2,528,051**
	Benefit-Cost Ratio	***1.34***	***2.35***	***0.52***	***1.99***	***1.81***	***2.82***	***2.73***	***2.67***	***1.25***	***1.55***	***1.17***	***n/a***	***n/a***	***0.23***	***0.62***
Program Administrator Cost Test (PAC)																
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs		$2,305,320	$24,579,868	($1,027,779)	$27,050,760	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs		$324,048	$4,238,831	$294,652	$4,850,253	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
Lifetime Avoided Wholesale Natural Gas Costs		$1,399,252	$1,605,842	$531,398	$3,011,048	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
Lifetime DRIPE Benefits (E&G)		$198,096	$1,485,665	($8,599)	$1,706,467	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
Lifetime Avoided RPS REC Purchase Costs		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
Lifetime Avoided Wholesale Volatility Costs		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
Lifetime Avoided T&D Costs		$931,028	$12,200,158	$823,832	$13,933,995	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
	Total Benefit	**$5,157,744**	**$44,110,365**	**$613,503**	**$50,552,522**	**$14,047,545**	**$30,060,818**	**$2,001**	**$250,176**	**$2,584,291**	**$895,950**	**$1,224,190**	**$453,313**	**$0**	**$1,034,237**	**($420,734)**
Lifetime Administration Costs		$3,440,000	$3,160,000	$1,005,000	$7,025,000	$1,225,000	$1,825,000	$110,000	$145,000	$1,690,000	$865,000	$685,000	$200,000	$0	$280,000	$725,000
Lifetime Program Investment Costs		$13,077,292	$21,012,585	$4,009,700	$35,607,520	$9,291,673	$10,805,911	$915,000	$696,043	$6,807,002	$2,623,005	$3,247,286	$400,000	$0	$821,600	$3,188,100
Lifetime Time-Value of Loan Repayments		$1,450,000	$950,000	$500,000	$2,500,000	$500,000	$450,000	$0	$100,000	$750,000	$700,000	$0	$0	$0	$0	$500,000
	Total Costs	**$17,967,292**	**$25,122,585**	**$5,514,700**	**$45,132,520**	**$11,016,673**	**$13,080,911**	**$1,025,000**	**$941,043**	**$9,247,002**	**$4,188,005**	**$3,932,286**	**$600,000**	**$0**	**$1,101,600**	**$4,413,100**
	Benefit-Cost Ratio	***0.29***	***1.76***	***0.11***	***1.12***	***1.28***	***2.30***	***0.00***	***0.27***	***0.28***	***0.21***	***0.31***	***0.76***	***n/a***	***0.94***	***-0.10***

Cost Test	Total Residential Programs	Total Commercial & Industrial Programs	Total Cross-Sector Programs	Total Portfolio	C&I Direct Install	C&I Prescriptive/Custom	Energy Solutions for Business	Multifamily	Residential Efficient Products	Whole Home	Income Qualified	Behavioral	Next Generation Savings	Peak Demand Reduction	Building Decarbonization
Ratepayer Impact Measure Test (RIM)															
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	$2,305,320	$24,579,868	($1,027,779)	$27,050,760	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs	$324,048	$4,238,831	$294,652	$4,850,253	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
Lifetime Avoided Wholesale Natural Gas Costs	$1,399,252	$1,605,842	$531,398	$3,011,048	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
Lifetime DRIPE Benefits (E&G)	$198,096	$1,485,665	($8,599)	$1,706,467	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
Lifetime Avoided RPS REC Purchase Costs	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
Lifetime Avoided Wholesale Volatility Costs	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
Lifetime Avoided T&D Costs	$931,028	$12,200,158	$823,832	$13,933,995	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
Total Benefit	**$5,157,744**	**$44,110,365**	**$613,503**	**$50,552,522**	**$14,047,545**	**$30,060,818**	**$2,001**	**$250,176**	**$2,584,291**	**$895,950**	**$1,224,190**	**$453,313**	**$0**	**$1,034,237**	**-$420,734**
Lifetime Administration Costs	$3,440,000	$3,160,000	$1,005,000	$7,025,000	$1,225,000	$1,825,000	$110,000	$145,000	$1,690,000	$865,000	$685,000	$200,000	$0	$280,000	$725,000
Lifetime Program Investment Costs	$13,077,292	$21,012,585	$4,009,700	$35,607,520	$9,291,673	$10,805,911	$915,000	$696,043	$6,807,002	$2,623,005	$3,247,286	$400,000	$0	$821,600	$3,188,100
Lifetime Re-Allocated Distribution Costs	n/a	n/a	n/a	n/a	$11,224,062	$25,588,345	$1,631	$248,358	$1,887,340	$441,328	$471,017	$630,224	$0	$0	($1,541,645)
Lifetime Time-Value of Loan Repayments	$1,450,000	$950,000	$500,000	$2,500,000	$500,000	$450,000	$0	$100,000	$750,000	$700,000	$0	$0	$0	$0	$500,000
Total Costs	**$17,967,292**	**$25,122,585**	**$5,514,700**	**$45,132,520**	**$22,240,735**	**$38,669,257**	**$1,026,631**	**$1,189,401**	**$11,134,342**	**$4,629,333**	**$4,403,303**	**$1,230,224**	**$0**	**$1,101,600**	**$2,871,455**
Benefit-Cost Ratio	***0.29***	***1.76***	***0.11***	***1.12***	***0.63***	***0.78***	***0.00***	***0.21***	***0.23***	***0.19***	***0.28***	***0.37***	***n/a***	***0.94***	***-0.15***
Societal Cost Test (SCT)															
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	$2,305,320	$24,579,868	($1,027,779)	$27,050,760	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs	$324,048	$4,238,831	$294,652	$4,850,253	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
Lifetime Avoided Wholesale Natural Gas Costs	$1,399,252	$1,605,842	$531,398	$3,011,048	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
Lifetime DRIPE Benefits (E&G)	$198,096	$1,485,665	($8,599)	$1,706,467	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
Lifetime Avoided RPS REC Purchase Costs	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
Lifetime Avoided Wholesale Volatility Costs	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
Lifetime Avoided T&D Costs	$931,028	$12,200,158	$823,832	$13,933,995	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
Lifetime Avoided Delivered Fuels Costs	$0	$0	$1,046,968	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,046,968
Lifetime Avoided Emissions Damages	$5,754,227	$32,227,233	($50,986)	$38,186,215	$10,165,893	$22,060,132	$1,208	$204,755	$2,017,664	$1,324,883	$1,949,475	$462,204	$0	$0	($50,986)
Job and Savings Multiplier Benefits	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
Non-Energy Benefit Adder	$545,680	$3,821,172	($69,996)	$4,391,862	$1,191,500	$2,629,510	$162	$25,010	$224,191	$108,290	$150,227	$62,972	$0	$0	($69,996)
Low-Income Adder	$150,227	$0	$0	$150,227	$0	$0	$0	$0	$0	$0	$150,227	$0	$0	$0	$0
Total Benefit	**$11,607,878**	**$80,158,770**	**$1,539,489**	**$93,280,826**	**$25,404,938**	**$54,750,461**	**$3,371**	**$479,941**	**$4,826,145**	**$2,329,124**	**$3,474,120**	**$978,489**	**$0**	**$1,034,237**	**$505,252**
Lifetime Incremental Costs	$10,803,641	$23,756,926	$3,472,115	$35,759,556	$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051
Lifetime Administration Costs**	$7,470,000	$6,377,500	$2,355,000	$15,272,500	$2,645,000	$2,722,500	$1,010,000	$545,000	$3,600,000	$2,025,000	$1,245,000	$600,000	$0	$880,000	$1,475,000
Total Costs	**$18,273,641**	**$30,134,426**	**$5,827,115**	**$51,032,056**	**$13,583,777**	**$15,534,561**	**$1,016,088**	**$799,925**	**$9,857,765**	**$3,872,593**	**$3,943,283**	**$600,000**	**$0**	**$1,824,064**	**$4,003,051**
Benefit-Cost Ratio	***0.64***	***2.66***	***0.26***	***1.83***	***1.87***	***3.52***	***0.00***	***0.60***	***0.49***	***0.60***	***0.88***	***1.63***	***n/a***	***0.57***	***0.13***
New Jersey Cost Test (NJCT)															
Lifetime Avoided Wholesale Electric Energy and Ancillary Costs	$2,305,320	$24,579,868	($1,027,779)	$27,050,760	$7,498,973	$17,079,785	$1,110	$165,572	$1,261,536	$295,492	$315,969	$432,323	$0	$0	($1,027,779)
Lifetime Avoided Wholesale Electric Capacity Costs	$324,048	$4,238,831	$294,652	$4,850,253	$1,398,575	$2,840,038	$218	$17,914	$249,429	$32,966	$41,653	$0	$0	$269,460	$25,191
Lifetime Avoided Wholesale Natural Gas Costs	$1,399,252	$1,605,842	$531,398	$3,011,048	$661,347	$944,495	$0	$5,953	$269,571	$434,995	$694,686	$0	$0	$0	$531,398
Lifetime DRIPE Benefits (E&G)	$198,096	$1,485,665	($8,599)	$1,706,467	$467,095	$1,018,505	$65	$9,232	$87,202	$37,745	$52,158	$20,991	$0	$13,473	($22,073)
Lifetime Avoided T&D Costs	$931,028	$12,200,158	$823,832	$13,933,995	$4,021,555	$8,177,995	$609	$51,505	$716,552	$94,752	$119,724	$0	$0	$751,304	$72,528
Lifetime Avoided Delivered Fuels Costs	$0	$0	$1,046,968	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,046,968
Lifetime Avoided Emissions Damages	$5,754,227	$32,227,233	($50,986)	$38,186,215	$10,165,893	$22,060,132	$1,208	$204,755	$2,017,664	$1,324,883	$1,949,475	$462,204	$0	$0	($50,986)
Non-Energy Benefit Adder	$545,680	$3,821,172	($69,996)	$4,391,862	$1,191,500	$2,629,510	$162	$25,010	$224,191	$108,290	$150,227	$62,972	$0	$0	($69,996)
Low-Income Adder	$150,227	$0	$0	$150,227	$0	$0	$0	$0	$0	$0	$150,227	$0	$0	$0	$0
Total Benefit	**$11,607,878**	**$80,158,770**	**$1,539,489**	**$93,280,826**	**$25,404,938**	**$54,750,461**	**$3,371**	**$479,941**	**$4,826,145**	**$2,329,124**	**$3,474,120**	**$978,489**	**$0**	**$1,034,237**	**$505,252**
Lifetime Incremental Costs	$10,803,641	$23,756,926	$3,472,115	$35,759,556	$10,938,777	$12,812,061	$6,088	$254,925	$6,257,765	$1,847,593	$2,698,283	$0	$0	$944,064	$2,528,051
Lifetime Administration Costs**	$7,470,000	$6,377,500	$2,355,000	$15,272,500	$2,645,000	$2,722,500	$1,010,000	$545,000	$3,600,000	$2,025,000	$1,245,000	$600,000	$0	$880,000	$1,475,000
Total Costs	**$18,273,641**	**$30,134,426**	**$5,827,115**	**$51,032,056**	**$13,583,777**	**$15,534,561**	**$1,016,088**	**$799,925**	**$9,857,765**	**$3,872,593**	**$3,943,283**	**$600,000**	**$0**	**$1,824,064**	**$4,003,051**
Benefit-Cost Ratio	***0.64***	***2.66***	***0.26***	***1.83***	***1.87***	***3.52***	***0.00***	***0.60***	***0.49***	***0.60***	***0.88***	***1.63***	***n/a***	***0.57***	***0.13***

** Lifetime Administrative Costs in the TRC, SCT, and NJCT are inclusive of all program investment and program expense costs, net direct participant incentives.

6.f APPENDIX F – QPIs

[MFR II.a.viii, VII.a, VII.b]

QPI Assumptions

For the purposes of QPI calculations, savings from measures transferred to partner utilities are not assumed in the target or actual performance values.

Interactive Effects

If the Company can document interactive effects negatively impacted its performance on the QPIs due to a change in the mix of measures implemented by customers when compared to Plan assumptions, the utility should not be penalized.

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

	Net Annual Energy Savings (Source MMBtu)	Net Annual Demand Savings (Peak MW)	Net Annual Demand Savings (Peak-day therm)	Net Lifetime Energy Savings (Source MMBtu)	LMI and OBC Net Lifetime Energy Savings (Source MMBtu)	Small Business Net Lifetime Energy Savings (Source MMBtu)	Cost to Achieve ($/ Lifetime Source MMBtu)
Program Year 4	71,260	1.61		663,449	11,138	363,576	$12.15
Program Year 5	171,746	4.97		2,025,337	21,767	1,084,591	$8.70
Program Year 6	166,751	4.80		1,928,499	21,472	1,009,168	$9.15
Portfolio Total	409,757	11.37		4,617,286	54,377	2,457,335	$9.38

QPIs based only on lead fuel and include only energy efficiency

6.g APPENDIX G – Key Metrics for Additional Utility-Led Initiatives

[BD and DR MFR VII.a]

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

	Site and source energy savings by fuel (MMBtu)								Site and source lifetime energy savings by fuel (MMBtu)							
	Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane	
	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source
Program Year 4	(749)	(1,680)	1,902	2,002	126	126	184	184	(10,256)	(23,021)	26,661	28,064	1,883	1,883	2,510	2,510
Program Year 5	(2,235)	(4,964)	5,587	5,881	419	419	612	612	(30,657)	(68,090)	78,387	82,512	6,278	6,278	8,367	8,367
Program Year 6	(2,807)	(6,169)	7,084	7,456	502	502	735	735	(38,520)	(84,650)	99,462	104,697	7,534	7,534	10,040	10,040
Savings Beyond PY6																
Total	**(5,791)**	**(12,813)**	**14,572**	**15,339**	**1,046**	**1,046**	**1,530**	**1,530**	**(79,434)**	**(175,761)**	**204,509**	**215,273**	**15,696**	**15,696**	**20,917**	**20,917**

	Site and source annual emissions by fuel (CO2e MT)								Site and source lifetime emissions by fuel (CO2e MT)							
	Electric		Natural Gas		Fuel Oil		Propane		Electric		Natural Gas		Fuel Oil		Propane	
	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source	Site	Source
Program Year 4	526	1,295	672	708	(57)	(57)	(80)	(80)	7,487	18,418	9,565	10,068	(813)	(813)	(1,132)	(1,132)
Program Year 5	1,562	3,796	2,032	2,139	(186)	(186)	(260)	(260)	22,234	54,028	28,916	30,437	(2,653)	(2,653)	(3,696)	(3,696)
Program Year 6	2,102	5,065	2,649	2,789	(219)	(219)	(305)	(305)	29,932	72,136	37,733	39,719	(3,116)	(3,116)	(4,343)	(4,343)
Savings Beyond PY6																
Total	**4,190**	**10,156**	**5,354**	**5,635**	**(462)**	**(462)**	**(644)**	**(644)**	**59,653**	**144,582**	**76,214**	**80,225**	**(6,582)**	**(6,582)**	**(9,171)**	**(9,171)**

	Net annual peak demand savings by fuel (electricity and natural gas only) (peak MW or peak-day therm)				CO2 emissions impacts by fuel (CO2e MT)				Net CO2 emissions impacts across fuels (CO2e MT)	Levelized cost per metric ton of CO2e (costs levelized over the EUL or AUL, as appropriate, of the measure or project divided by lifetime net CO2e impacts)	Number of distributors and contractors engaged in the program
	Electric	**Natural Gas**	**Fuel Oil**	**Propane**	**Electric**	**Natural Gas**	**Fuel Oil**	**Propane**	**All Fuels (sum of prior 4 columns)**		
	peak MW	**peak-day therm**			Column T	Column V	Column X	Column Z			
Program Year 4	0.01	367			1,295	708	(57)	(80)	1,866	$1.31	10
Program Year 5	0.02	1,079			3,796	2,139	(186)	(260)	5,489	$1.35	25
Program Year 6	0.03	1,371			5,065	2,789	(219)	(305)	7,330	$1.42	40
Savings Beyond PY6											
Total	**0.06**	**2,817**			**10,156**	**5,635**	**(462)**	**(644)**	**14,685**		

	Number of program participants and installations, overall and for LMI				Number and geographic location of installations	
	Program Participants		Installations		Number of Installations	Geographic Location of Installations
	Overall	LMI Customers	Overall	LMI Customers		
Program Year 4	43	0	131	1	131	Bergen, Passaic, and Sussex Counties
Program Year 5	127	1	388	4	388	Bergen, Passaic, and Sussex Counties
Program Year 6	160	2	488	5	488	Bergen, Passaic, and Sussex Counties
Savings Beyond PY6						
Total	**330**	**3**	**1,007**	**10**	**1,007**	

Demand Response Metrics

	Dollars spent per customer enrolled per $ spent ($/participant) by segment for each proposed program		Dollars spent per capacity enrolled ($/kW) by each segment for each proposed program		Intensity impact (kWh or CO2 during peak event) for each proposed program. The utility shall, based on the program design, define the specific calculation to measure intensity impact;		Ratio of number of customer responses to control requests over number of control requests.	
	Residential	**Commercial & Industrial**	**Residential**	**Commercial & Industrial**	**Residential**	**Commercial & Industrial**	**Residential**	**Commercial & Industrial**
Program Year 4	n/a	n/a	n/a	n/a	-	-	n/a	n/a
Program Year 5	$17.90	$193.50	$94.76	$193.50	13,902	2,400	60%	60%
Program Year 6	$17.15	$110.83	$77.03	$110.83	17,102	4,000	60%	60%
Total	**$21.35**	**$186.83**	**$103.56**	**$186.83**	**31,004**	**6,400**	**60%**	**60%**

6.h APPENDIX H - Incentive Ranges

[MFR II.a.iii, II.a.iv]

- Whole Home & Income-Qualified Programs

Program	Subprogram	Description	Existing Rebate Strategy
Whole Home[1]	Home Energy Assessment	Utilities may provide the home energy assessment at no additional cost or for a fee, which may be discounted for certain customers or for promotional periods to drive activity. The home energy assessment may include the direct installation of standard energy efficiency measures that are appropriate for their home	Under Quick Home Energy Checkup, no cost to customer for walk through audit with no cost or low cost measures installed at time of audit
	Whole House Projects	The following incentive structures may be used: Customer must have a minimum savings percentage of 5% based on modeled reduction of consumption. Rebate is $2,000 + $200 for each percentage point of savings above 5% Rebate Cap = $7,500 OR Customer incentive will be based on the measures installed: *Weatherization Measures* - Up to 75% of costs for weatherization measures covered *Other EE Measures* - Based on list of prescriptive measures * Initially, ACE, ETG, JC, NJNG, RECO and SJG used Option A and PSE&G used Option B.	Under Home Performance with Energy Star, customer must have a minimum savings percentage of 5% based on modeled reduction of consumption. Rebate is $2,000 + $200 for each percentage point of savings above 5%, up to $6,000.

	Contractor Incentive	Up to $500	Up to $500
Income-Qualified	Income-Qualified Projects	The customer may receive no-cost energy efficiency measures and upgrades with a per project guideline and health and safety expense protocol. The program will be designed to provide a greater level of benefits for low-income customers.	Under Moderate-Income Weatherization, no up-front cost to customer for BPI-certified audit with up to $6,000 of direct install and weatherization measures and up to $1,500 on health and safety expenses. Under Low-Income (Comfort Partners) customers may receive no-cost energy efficiency measures and upgrades within project spending guideline and health and safety expense protocol.

Notes

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

- Energy Efficient Products Program

Measure [1]	Rebate Up To Value ($) GDC/EDC Consensus Rebate Strategy [2]	Unit Basis	Multifamily Income-Eligible Rebate Up To Value ($) GDC/EDC Consensus Rebate Strategy	Existing Up To Value ($) Rebate Strategy
LED Fixtures	$20	Per unit	Same	$10
Occupancy Sensors	$80	Per unit	Same	$7
LED Holiday Lights	$5	Per unit	Same	$5
Ceiling Fans	$35	Per unit	Same	$35
LED Table/Desk Lamps	$15	Per unit	Same	$15
Clothes Washer	$200	Per unit	Same	$100
Electric Clothes Dryer	$500	Per unit	Same	$300
Refrigerator	$125	Per unit	Same	$100
Freezers	$100	Per unit	Same	$75
Dishwasher	$100	Per unit	Same	$25
Induction Cooktop Stove	$150	Per unit	Same	$25
Air Purifier / Cleaner	$75	Per unit	Same	$50
Room A/C Unit	$60	Per unit	Same	$30
Dehumidifier	$50	Per unit	Same	$35
Heat Pump Water Heater	$2,500	Per unit	Up to a 50% incentive adder	$1,000
Smart Thermostats[3]	$150	Per unit	Same	$125
Pool Pump	$500	Per unit	Same	$500
Sound Bars	$25	Per unit	Same	$20
Water Cooler	$30	Per unit	Same	$25
Electric Vehicle Charger	$80	Per unit	Same	$50
Monitors	$25	Per unit	Same	$25
Computers	$25	Per unit	Same	$25
Imaging	$30	Per unit	Same	$25
Smart Strip Plug Outlets	$80	Per unit	Same	$40
TVs	$150	Per unit	Same	$50

Smart Home	Up to full incremental cost	Per unit	Same	$10
Refrigerator Recycling	$175	Per unit	Same	$100
Freezer Recycling	$175	Per unit	Same	$100
Room A/C Unit Recycling	$50	Per unit	Same	$35
Dehumidifier Recycling	$175	Per unit	Same	$35
EE Kits	$75	Per unit	Same	$60
Central Air Conditioning	$1,000	Per unit	Up to 100% incentive adder	$500
Air Source Heat Pump	$3,500	Per unit	Up to 50% adder	$1,000
Geothermal Heat Pump	$10,000	Per unit	Up to 50% adder	$1,500
Air-to-Water Heat Pumps	$1600 per 10,000 BTUh	Per 10,000 BTUh	Up to 50% adder	New
Ductless Mini-Split Heat Pump	$3,500	Per unit	Up to 50% adder	$400
Ductless Mini Split A/C	$500	Per unit	up to $5,000 per 10,000 BTUh	$500
Furnace Fans (ECM)	$125	Per unit	up to $750	$100
PTAC - CEE Tier 2 - Multi Family	$75	Per unit	up to 50% adder	$50
PTHP - CEE Tier 2- Multi Family	$250	Per unit	up to 50% adder	$125
Integrated Controls for heat pumps	$1,500	Per unit	Same	New
Circulating Pump	$600	Per unit	Same	$75
Thermostatic Shower Valves	$20	Per unit	Same	New
Bathroom Fan	$50	Per unit	Same	$20
HVAC Maintenance	$250	Per unit	up to $400	$100
HVAC Quality Install	$500	Per unit	Same	$450
Supplemental incentive for LMI customers (limited to qualifying HVAC equipment)	$300	Per qualifying unit		$200

Notes

1 - The utilities reserve the right to include additional measures that are supported by established protocols or evaluation results in the industry to ensure we include a broad range of energy savings measures to maximize energy savings for customers and avoid market disruption.
2 - All rebates will be offered equal to or less than the "Up To" value. Rebate value should not exceed the full measure cost. Tiered rebate amounts may be offered within the incentive ranges listed above for qualified measures that have varying applications or characteristics (e.g. size, features, etc.)
3 - The total rebate value for a smart thermostat will be up to $150 total between both fuel utilities.

- C&I Prescriptive & Custom and Multifamily Programs

Prescriptive Measure [1]	Rebate Up To Value ($)[2]	Unit Basis	Existing Up to Rebate Values	Multifamily Income-Eligible Rebate Up to Value ($)[4]
Lighting (Retrofit & New Construction)				
LED TROFFER LUMINAIRES				
New LED linear recessed troffer/panel for 2x2, 1x4 and 2x4 luminaires	$100	Per Fixture	$100	Same
1 x 4 LED new luminaire rated	$100	Per Fixture		Same
2 x 2 LED new luminaire	$100	Per Fixture		Same
2 x 4 LED new luminaire	$100	Per Fixture		Same
LED LINEAR AMBIENT/STAIRWELL LUMINAIRES				
New LED linear ambient luminaire	$100	Per Fixture	$30 per foot	Same
LED direct/indirect linear ambient 2 ft. new luminaire	$100	Per Fixture	$30 per foot	Same
LED direct/indirect linear ambient 3 ft. new luminaire	$100	Per Fixture	$30 per foot	Same
LED direct/indirect linear ambient 4 ft. new luminaire	$100	Per Fixture	$30 per foot	Same
LED direct/indirect linear ambient 6 ft. new luminaire	$100	Per Fixture	$30 per foot	Same
LED direct/indirect linear ambient 8 ft. new luminaire	$100	Per Fixture	$30 per foot	Same
New LED stairwell luminaire	$100	Per Fixture	$100	Same
LED INTERIOR DIRECTIONAL LUMINAIRES				
New LED wall wash luminaire	$60	Per Fixture	$30 per head	Same
New LED track/mono-point luminaire Directional Lighting Fixtures	$60	Per Head	$40 per foot	Same
LED DISPLAY CASE LUMINAIRES				
New LED display case luminaire, including refrigerator/freezer display	$60	Per Fixture	$50	Same
Refrigerated Case Lighting 4'	$80	Per Fixture	$50	Same
Refrigerated Case Lighting 5'	$80	Per Fixture	$50	Same
Refrigerated Case Lighting 6'	$80	Per Fixture	$50	Same

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

LED direct linear ambient 8 ft	$50	Per Fixture	$15 per foot	Same
LED Retrofit kit for Low Bay	$150	Per Fixture	$100	Same
LED Retrofit kit for High Bay	$300	Per Fixture	$100	Same
LED retrofit kit for exterior luminaire Covered below by E39 HID lamps.	$60	Per Fixture	$100	Same
LED retrofit kit for recessed downlight	$60	Per Fixture	$100	Same
LED ENERGY STAR FIXTURES				
New LED ENERGY STAR LED fixture - recessed downlight, specialty, cove, under cabinet, vent fan, ceiling mount, etc.	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Accent Light Line Voltage	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Bath Vanity	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Ceiling Mount	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Close to Ceiling Mount	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Cove Mount	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Decorative Pendant	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Downlight Pendant	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Downlight Surface Mount	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Linear Strip	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Other	$75	Per Fixture	$100	Same

Energy Star LED Fixture - Outdoor (Various Types)	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Outdoor Pole-Mount	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Pendant	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Recessed Downlight	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Security	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Solid State Retrofit	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Torchiere	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Under Cabinet	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Wall Sconces	$75	Per Fixture	$100	Same
Energy Star LED Fixture - Wrapped Lens	$75	Per Fixture	$100	Same
LED REPLACEMENT LAMPS				
LED mogul-screw base replacement for HID lamps and new external driver		Per Lamp	$100	
HID Replacement Lamp >250W	$150	Per Lamp		Same
HID Replacement Lamp ≤125W	$100	Per Lamp		Same
HID Replacement Lamp>125W - ≤250W	$125	Per Lamp	$100	Same
Vertically-Mounted Lamps	$10	Per Lamp	$80	Same
Horizontally Mounted Lamps	$10	Per Lamp	$80	Same
2G11 Base Lamps	$10	Per Lamp	$80	Same
LED Replacement Lamps 2' - 8' (Type A, B, C, AB)	$10	Per Lamp	$80	Same
LED SIGN LIGHTING				

Exterior/Dusk-to-Dawn, Interior and 24 hour application Covered Above by DLC Exterior Fixture types	$4	Per Watt Reduced	$2 per watt reduced	Same
OTHER LIGHTING				
Exit Signs	$25	Per Unit	$23	Same
Street/Roadway and Area Lighting	$700	Per Fixture	$500	Same
Horticultural Lighting (Controlled Environment Agriculture) Covered above by DLC Exterior fixture types	$44	Per Fixture	$600	N/A
Lighting Controls				
NETWORKED LIGHTING CONTROLS				
Networked lighting control system controlling efficient luminaires	$0.60 per watt	Per Watt Controlled	NLC System: $0.60 per watt controlled	Same
NLC - Tier 1, Interior, Mounting Height ≤ 12'				
NLC - Tier 2, Interior, Mounting Height ≥ 12'				
NLC - Tier 3, Exterior, All Mounting Height				
Networked lighting control - fixture level control LLLC	with local or cloud server: $80/fixture with local or cloud server - lower wattage $50/fixture no server required: $60/fixture no server required - (lower wattage min controlled watts 20) $20/fixture	Per Fixture	$60 per fixture	Same
DUAL DAYLIGHT/OCCUPANCY CONTROLS				
Dual daylight & occupancy sensor (DOS) Product types covered above under LLLC or NLC	$100	Per Fixture	$100	Same
DAYLIGHT CONTROLS				

Daylight continuous dimming control	$100	Per Fixture	$100	Same
Exterior Lighting Control – Fixture with Integrated Controls	$100	Per Fixture	$100	Same
OCCUPANCY/VACANCY CONTROLS				
Vacancy or Occupancy control (Switch/Wall/External Mount)	$100	Per Fixture	$100	Same
Vacancy or Occupancy control (Integrated)	$100	Per Fixture	$100	Same
Occupancy/Vacancy Sensor – Wall Mounted (Integrated)	$100	Per Fixture	$100	Same
Occupancy/Vacancy Sensor – Remote Mounted (Integrated)	$100	Per Fixture	$100	Same
Occupancy Dimming Control (Integrated)	$100	Per Fixture	$100	Same
Occupancy Sensor for Highbay – Remote Mounted (Integrated)	$100	Per Fixture	$100	Same
HVAC				
UNITARY - AIR CONDITIONERS & HEAT PUMPS				
< 5.4 tons (65,000 BTU/hr)				
Air Conditioning (AC) only - Split or Packaged		Per Ton	$250	
Tier 1 SEER 16				
Single Package Vertical Air Conditioner, <=5.4 Tons, Tier 1	$300	Per Ton		Up to 30% incentive adder
Unitary HVAC Single Package System, <=5.4 Tons, Tier 1	$300	Per Ton		Up to 30% incentive adder
Unitary HVAC Split System, <=5.4 Tons, Tier 1	$300	Per Ton		Up to 30% incentive adder
Tier 2 SEER 18				

Single Package Vertical Air Conditioner, <=5.4 Tons, Tier 2	$300	Per Ton		Up to 30% incentive adder
Unitary HVAC Single Package System, <=5.4 Tons, Tier 2	$300	Per Ton		Up to 30% incentive adder
Unitary HVAC Split System, <=5.4 Tons, Tier 2	$300	Per Ton		Up to 30% incentive adder
Heat Pumps - Split or Packaged		Per Ton		
Tier 1 SEER 16 EER 13 HSPF 10				
Air Source Heat Pump, Single Package, <=5.4 Tons, Tier 1	$175	Per Ton		Up to 30% incentive adder
Air Source Heat Pump, Split System, <=5.4 Tons, Tier 1	$175	Per Ton		Up to 30% incentive adder
Tier 2 SEER 18 EER 13 HSPF 10				
Air Source Heat Pump, Single Package, <=5.4 Tons, Tier 2	$300	Per Ton		Up to 30% incentive adder
Air Source Heat Pump, Split System, <=5.4 Tons, Tier 2	$300	Per Ton		Up to 30% incentive adder
>= 5.4 tons (65,000 BTU/hr)				
Air Conditioning (AC) only - Split or Packaged		Per Ton		
Unitary HVAC Single and Split Package System, >5.4 Tons & <=20 Tons	$300	Per Ton		Up to 30% incentive adder
Heat Pumps - Air Source - Split or Packaged				
Air Source Heat Pump, Single Package or Split System, >5.4 Tons & <=20 Tons	$300	Per Ton		Up to 30% incentive adder
SINGLE PACKAGE VERTICAL				
Single Package Vertical Air Conditioner - ALL SIZES				
Single Package Vertical Air Conditioner, >5.4 Tons & <=20 Tons	$300	Per Ton	$250	Up to 30% incentive adder
Single Package Vertical Heat Pump - ALL SIZES				
Single Package Vertical Heat Pump, <=11.25 Tons	$300	Per Ton	$250	Up to 30% incentive adder
CENTRAL DX AIR CONDITIONERS -				
Central DX Air Conditioner, >20 Tons	$300	Per Ton	$250	Up to 30% incentive adder
WATER-COOLED & EVAPORATIVE COOLING AIR CONDITIONERS - <5.4 to <11.25 tons		**Per Ton**		
Water Source Heat Pump, <=11.25 Tons, Tier 1 -5% above baseline	$300	Per Ton	$250	Up to 30% incentive adder

Water Source Heat Pump, <=11.25 Tons, Tier 2 -12% above baseline	$300	Per Ton	$250	Up to 30% incentive adder
WATER-COOLED & EVAPORATIVE COOLING AIR CONDITIONERS - >11.25 to ≤63.3	$300	Per Ton	$250	Up to 30% incentive adder
GEOTHERMAL HEAT PUMPS -				
Geothermal Heat Pumps – (Ground Source/Ground Water Source)		Per Ton		
Ground Source Heat Pump, <=11.25 Tons, Tier 1 -5% above baseline	$500	Per Ton	$500	Up to 30% incentive adder
Ground Source Heat Pump, <=11.25 Tons, Tier 2 -12% above baseline	$500	Per Ton	$500	Up to 30% incentive adder
Ground Water Source Heat Pump, <=11.25 Tons, Tier 1 -5% above baseline	$500	Per Ton	$500	Up to 30% incentive adder
Ground Water Source Heat Pump, <=11.25 Tons, Tier 2 -12% above baseline	$500	Per Ton	$500	Up to 30% incentive adder
DUCTLESS, MINI SPLIT AIR CONDITIONERS OR HEAT PUMPS - ALL SIZES	$250	Per Ton	$150	Up to 30% incentive adder
PACKAGED TERMINAL AIR CONDITIONERS OR HEAT PUMPS				
PTAC, All sizes	$300	Per Ton	$125	Up to 30% incentive adder
PTHP, All sizes	$300	Per Ton	$125	Up to 30% incentive adder
OTHER HVAC EQUIPMENT				
Smart Thermostat	$150	Per Unit	$125	Up to 30% incentive adder
Occupancy Controlled Thermostat - Electric	$125		$125	Up to 30% incentive adder
Dual Enthalpy Economizer Controls				
< 5 tons Dual Enthalpy Economizer	$350	Per Unit	$250	Up to 30% incentive adder
> 5 tons Single measure for DNV	$350		$250	Up to 30% incentive adder
Chillers - Path A Constant Speed				
Air-Cooled Chiller, Constant Speed <= 1000 tons	$85 per ton or Custom	Per Ton	Custom	Up to 30% incentive adder
Water-Cooled Chiller, Screw Chiller - Positive Displacement, Constant Speed <= 600 tons	$185 per ton or Custom	Per Ton	Custom	Up to 30% incentive adder
Water -Cooled Chiller, Centrifugal, Constant Speed <= 1000 tons	$85 per ton or Custom	Per Ton	Custom	Up to 30% incentive adder
All Constant Speed Chillers => 1000 tons	Custom	Custom	Custom	Up to 30% incentive adder
Performance Incentive: For each 0.1 EER point above or for each 0.01 kW below	$10 per ton or Custom	Per Ton	N/A	Up to 30% incentive adder

minimum efficiency Full Load or Integrated Part Load Value (IPLV).				
Chillers - Path B Variable Speed (VFD)				
Air-Cooled Chiller, VFD Variable Speed <= 1000 tons	$200 per ton or Custom	Per Ton	Custom	Up to 30% incentive adder
Water-Cooled Chiller, Screw Chiller - Positive Displacement, VFD Variable Speed <= 600 tons	$450 per ton or Custom	Per Ton	Custom	Up to 30% incentive adder
Water -Cooled Chiller, Centrifugal, VFD Variable Speed <=1000 tons	$20 per ton or Custom	Per Ton	Custom	Up to 30% incentive adder
All Variable Speed Chillers => 1000 tons	Custom	Custom	Custom	Up to 30% incentive adder
Performance Incentive: For each 0.1 EER point above or for each 0.01 kW below minimum efficiency Full Load or Integrated Part Load Value (IPLV).	$10 per ton or Custom	Per Ton	N/A	Up to 30% incentive adder
Refrigeration				
Anti-Fog Film	$10	Per Sq. Ft.	$15	Same
Anti-Sweat Heat Control	$75	Per Door	$50	Same
Anti-Sweat Heater Control/ Door Heater Control for Cooler/Medium Temp door	$75	Per Door	$50	Same
Anti-Sweat Heater Control/ Door Heater control for Freezer/Low Temp door	$75	Per Door	$50	Same
ECM Evaporator Fan Motor, <1 hp		Per Unit	$150	Same
Reach-in Cooler/Freezer Electronically Commutated Motor Evaporator Fan Motor control	$150	Per Unit	$150	Same
Reach-in Cooler/Freezer Permanent Split Capacitor Motor Evaporator Fan Motor control	$150	Per Unit	$150	Same
Reach-in Cooler/Freezer Shaded Pole Motor Evaporator Fan Motor control	$150	Per Unit	$150	Same
Walk-in Cooler/Freezer Electronically Commutated Motor Evaporator Fan Motor control	$150	Per Unit	$150	Same
Walk-in Cooler/Freezer Shaded Pole Motor Evaporator Fan Motor control	$150	Per Unit	$150	Same
Walk-in Cooler/Freezer Permanent Split Capacitor Motor Evaporator Fan Motor control	$150	Per Unit	$150	Same
Evaporator/Compressor Controller	$1,000	Per Cooler	$1,000	Same

Evaporative Fan Controls	$200	Per Control	$100	Same
Floating-head Pressure Controls	$200	Per Control	$150	Same
Variable Speed Refrigeration Compressor	$2,000	Per Unit	$2,000	Same
Evaporator Fan Controller on Existing Shaded-Pole Motor DNV Coveted above in ECM category	$200	Per Unit	$100	Same
Night Cover - Low temp (-32°F to 0°F)	$8	Per Linear Ft	$500 Per Case	Same
Night Cover - High Temp case temperature (32°F to 55°F)	$8	Per Linear Ft	$500 Per Case	Same
Night Cover - Medium Temp, case temperature (0°F to 32°F)	$8	Per Linear Ft	$500 Per Case	Same
Night Covers - Open Reach-In Coolers	$8	Per Linear Ft	$500 Per Case	Same
Reach-In Door Closer		Per Unit	$75	Same
Automatic Door Closer - Cooler	$150	Per Unit	$75	Same
Automatic Door Closer - Freezer	$150	Per Unit	$75	Same
Refrigeration Display Case Doors on Open Display Case	$50 per linear ft $600 per case	Per Ln Ft. Per Case	$600 per case	Same
Gaskets	$7	Per Ln Ft.	$4	Same
Door Gasket - Cooler Reach-In/ Walk-in	$7	Per Ln Ft.	$4	Same
Door Gasket - Freezer Reach-in/ Walk-in	$7	Per Ln Ft.	$4	Same
Strip Curtains for Walk-In Coolers and Freezers	$12	Per Sq. Ft.	$5	Same
VFD - Variable Frequency Drives				
Horse Power				

< 100 hp DNV has binned our VFD measures by the type load controlled per the TRM, not the HP of the motor	<= 10 HP - $1000 per unit <= 50 HP - $2500 per unit <= 100 HP - $5000 per unit	Per Unit	$250	Same
≥100 to ≤200 DNV has binned our VFD measures by the type load controlled per the TRM, not the HP of the motor	$50	Per HP	$50	Same
ECM Motors				
EC Motors =<1 HP	$150	Per unit	$150	Same
2 HP EC Motors - HVAC Blower Fan	$500	Per unit	$175	Same
3-5 HP EC Motors - Hydronic Pumps	$500	Per unit	$250	Same
6-10 HP	$500	Per unit	$500	Same
11+ HP	$750	Per unit	$750	Same
Commercial Kitchen Equipment				
COMMERCIAL DISHWASHERS		Per Unit	$1,500	
Under Counter		Per Unit		
Commercial Dishwasher - Under Counter LT Electric	$300	Per Unit		Same
Commercial Dishwasher - Under Counter HT Electric	$2,500	Per Unit		Same
Door Type		Per Unit		
Commercial Dishwasher - Door Type LT Electric	$850	Per Unit		Same
Commercial Dishwasher - Door Type HT Electric	$1,250	Per Unit		Same
Single Tank Conveyor		Per Unit		
Commercial Dishwasher - Single Tank Conveyor LT Electric	$400	Per Unit		Same

Commercial Dishwasher - Single Tank Conveyor HT Electric	$2,500	Per Unit		Same
Multi Tank Conveyor		Per Unit		
Commercial Dishwasher - Multiple Tank Conveyor LT Electric	$1,000	Per Unit		Same
Commercial Dishwasher - Multiple Tank Conveyor HT Electric	$1,500	Per Unit		Same
COOKING EQUIPMENT				
Fat Fryers		Per Unit		Same
Vat Fryer - Electric (Standard)	$600	Per Unit	$250	Same
Vat Fryer - Electric (Large Vat)	$1,800	Per Unit		Same
Griddles - Electric	$600	Per Unit	$300	Same
Insulated Holding Cabinets		Per Unit		
Hot Food Holding Cabinets - Full Size	$600	Per Unit	$400	Same
Hot Food Holding Cabinets - 3/4 Size	$600	Per Unit		Same
Hot Food Holding Cabinets - 1/2 Size	$300	Per Unit		Same
Commercial Fryer	$600	Per vat	$250	Same
Commercial Griddle	$600	Per griddle	$300	Same
Commercial Rack Oven	$3,000	Per oven		Same
COMBINATION and CONVECTION OVENS				
Convection Ovens	$600	Per Unit	$400	Same
Commercial Combination Oven (Electric)	$1,700	Per Oven/Steamer	$1,200	Same
Commercial Conveyor Oven	$1,700	Per Unit	N/A	Same
STEAM COOKERS				
Commercial Steam Cooker	$150	Per Pan	$150	Same
OTHER FOOD SERVICE				
Energy Star Beverage Vending Machine	$150	Per Unit	$75	Same
Pre-Rinse Spray Valve - Electric Water Heating	$75	Per Unit	$75	Same
ICE MACHINES				
Tier 1	$200	Per Unit	$200	Same
Tier 2	$300	Per Unit	$300	Same
SOLID DOOR REACH-IN REFRIGERATORS		**Per Unit**		

ENERGY STAR® Commercial Solid Door Refrigerator - < 15 ft3	$400	Per Unit	$225	Same
ENERGY STAR® Commercial Solid Door Refrigerator - > 15 to < 30 ft3	$400	Per Unit		Same
ENERGY STAR® Commercial Solid Door Refrigerator - > 30 to < 50 ft3	$400	Per Unit		Same
ENERGY STAR® Commercial Solid Door Refrigerator - ≥ 50 ft3	$400	Per Unit		Same
SOLID DOOR REACH-IN FREEZERS		**Per Unit**		
ENERGY STAR® Commercial Solid Door Freezer - < 15 ft3	$400	Per Unit	$500	Same
ENERGY STAR® Commercial Solid Door Freezer - > 15 to < 30 ft3	$400	Per Unit		Same
ENERGY STAR® Commercial Solid Door Freezer - > 30 to < 50 ft3	$400	Per Unit		Same
ENERGY STAR® Commercial Solid Door Freezer - ≥ 50 ft3	$400	Per Unit		Same
GLASS DOOR REACH-IN REFRIGERATORS		**Per Unit**		
ENERGY STAR® Commercial Glass Door Refrigerator - < 15 ft3	$300	Per Unit	$150	Same
ENERGY STAR® Commercial Glass Door Refrigerator - > 15 to < 30 ft3	$300	Per Unit		Same
ENERGY STAR® Commercial Glass Door Refrigerator - > 30 to < 50 ft3	$300	Per Unit		Same
ENERGY STAR® Commercial Glass Door Refrigerator - ≥ 50 ft3	$300	Per Unit		Same
GLASS DOOR REACH-IN Freezers				
ENERGY STAR® Commercial Glass Door Freezer - < 15 ft3	$300	Per Unit	$300	Same
ENERGY STAR® Commercial Glass Door Freezer - > 15 to < 30 ft3	$300	Per Unit		Same
ENERGY STAR® Commercial Glass Door Freezer - > 30 ft3	$300	Per Unit		Same
COMMERCIAL APPLIANCES				
CLOTHES WASHER				Same
CEE Tier 1	$200	Per Unit	$100	Same
CEE Tier 2	$350	Per Unit	$200	Same
WATER HEATING				
Heat Pump Water Heater - C&I	$1,500	Per Unit	$1,500	Up to 30% incentive adder
Heat Pump Electric Storage Water Heater, size > 55 gallons	$1,500	Per Unit	$1,500	Up to 30% incentive adder
Heat Pump Electric Storage Water Heater, size ≤ 55 gallons	$1,500	Per Unit	$1,500	Up to 30% incentive adder

PLUG LOAD CONTROLS				
Personal Occupancy Sensor	$100	Per Unit	$20	Same
Hotel Room HVAC Controls	$300	Per Unit	$90	Same
Hotel Room HVAC/Receptacle Control	$300	Per Unit	$20	Same
Smart Power Strip - Tier 1	$25	Per Unit	$20	Same
Smart Power Strip - Tier 2	$50	Per Unit		Same
Vending Machine Controls				
Non-Refrigerated	$150	Per Unit	$75	Same
Refrigerated	$300	Per Unit	$125	Same
Glass Front Refrigerated Cooler Control	$150	Per Unit	$125	Same
OFFICE EQUIPMENT				
Monitors - C&I	$25	Per Unit	$25	Same
Computers - C&I	$25	Per Unit	$25	Same
Uninterruptible Power Supply (UPS)	$75	Per kVA	$40	Same
Imaging - C&I	$25	Per Unit	$25	Same
Small Network PC Controller	$35	Per PC Controlled	$25	Same
AGRICULTURE				
Auto Milker Takeoff	$100	Per Unit	$90	Same
Dairy Scroll Compressor	$1,000	Per Unit	$1,000	Same
HE Ventilation Fans	$100	Per Unit	$215	Same
High Speed Fan 24'' – 35''		Per Unit	$215	Same
High Speed Fan 36'' - 47''		Per Unit	$215	Same
High Speed Fan 48'' - 71''		Per Unit	$215	Same
Heat Reclaimers	$2,500	Per Unit	$1,000	Same
High Volume Low Speed Fans (Destratification)	$1,200	Per Unit	$25 per ft of fan blade	Same
High Volume Low Speed Fan (HVLS) 16'			$25 per ft of fan blade	Same
High Volume Low Speed Fan (HVLS) 18'			$25 per ft of fan blade	Same
High Volume Low Speed Fan (HVLS) 20'			$25 per ft of fan blade	Same
High Volume Low Speed Fan (HVLS) 22'			$25 per ft of fan blade	Same
High Volume Low Speed Fan (HVLS) 24'			$25 per ft of fan blade	Same
Livestock Waterer	$500	Per Unit	$60	Same
Dairy Vac Pump VSD Controls	$2,000	Per Unit	$1,000	Same
Low Pressure Irrigation	$100	Per acre	$100	Same
Dairy Refrigeration Tune-Up	$200	Per Unit	$200	Same

Engine Block Heater Timer	$25	Per Unit	$25	Same
RESIDENTIAL APPLIANCES in C&I BUILDING - Non Commercial Duty				
Clothes Washer Tier 1	See Residential Incentives	Per Unit	See Residential Incentives	Same
Clothes Washer Tier 2		Per Unit		Same
Clothes Dryer - Tier 1		Per Unit		Same
Clothes Dryer - Tier 2		Per Unit		Same
Refrigerators		Per Unit		
Freezer		Per Unit		Up to 30% incentive adder
Dehumidifier		Per Unit		
Room Air Conditioner		Per Unit		
Water Cooler		Per Unit		
CUSTOM PROJECTS				
Compressed Air, Refrigeration, Data Center Equipment/Servers, HVAC/Chillers, HVAC Controls, Motors/VFD - Large, Building Improvements, Process Improvements, Agricultural Lighting/Process, Custom Lighting, Demand Controlled Ventilation, Energy Recovery Ventilator, Heat Recovery Ventilator	Incentives are calculated based on the lesser of two factors. 75% of project cost, or $0.32/kWh saved in the first year.	per kWh	Incentives are calculated based on the lesser of two factors. 50% of project cost, or $0.35/kWh saved in the first year.	Up to 30% incentive adder
ENERGY MANAGEMENT				
Bldg. - Tune-Up	**Incentive Strategy**	**% of Project Cost**	**Existing Incentive Up to Value**	
Lighting Optimization	$0.32 / kWh	Up to 80%	Up to 70% of Project Cost w project cap of $75,000	
HVAC Optimization	$0.64 / kWh	Up to 80%		
Chiller Optimization	$0.64 / kWh	Up to 80%		
Refrigeration Optimization	$0.64 / kWh	Up to 80%		
Electric Other Optimization	$0.64 / kWh	Up to 80%		
Gas Optimization	$10.00 / therm	Up to 80%		
Boiler Tuneup	$10.00 / therm	Up to 80%		
Furnace Tuneup	$600	Up to 80%		
HVAC Tune-Up				
Single Compressor Units	$350	Up to 80%	$175 per unit	
Multiple Compressor Units	$500		$250 per unit	

PTAC,PTHP, Mini Splits	$300		$75 per unit	
Electric/Other	$0.64 / kWh	Up to 80%	N/A	
Boiler Tuneup	$10.00 / therm	Up to 80%	$1 per MBH	
Furnace Tuneup	$600	Up to 80%	$250	
Dairy Refrigeration Tune-Up	$600	Up to 80%	$200 per unit	
Retro-comissioning				
RCx Services (Audit, Implementation, M&V) (for trade ally services only)	-	Up to 100%	N/A	
Customer/Trade Ally Incentive for verified energy savings	$0.64 / kWh and $10.00 / therm	Up to 70%	Up to $0.35 per kWh	
BOC Training				
Building Operations Training	Up to 70%	$1,000 / Applicant cap	Up to 70% of the cost to attend qualified BOC training up to $1000 per person.	
Strategic Energy Mgmt.				
SEM Services (Audit, Implementation, M&V)	-	Up to 100%	N/A	
Customer Incentive for verified energy savings	$0.64 / kWh and $10.00 / therm	Up to 70%	Up to $0.35 / kWh	
Virtual Commissioning VCx				
	$0.30 / kWh	Up to $0.35 / kWh		
Monitoring Based Commissioining				
MBCx (Audit, Implementation, M&V)		Up to 100%	N/A	
Customer Incentive for verified energy savings	$0.64 / kWh	Up to 70%	Up to $0.35 / kWh	

Notes

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

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

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

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

- C&I Direct Install and Energy Solutions Programs

Program	Category	Description of Approach to Incentives [1 & 2]	Existing Incentives [3 & 4]
Direct Install	Tier 1	For Tier 1 customers the program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan. Tier 1 will serve all customers with an average annual individual facility peak electrical demand of up to 100 kW and an average annual natural gas load of up to 5,000 therms.	For Tier 1 customers, standard basic energy savings measures may be installed at no cost during the time of the energy assessment. The program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through an available repayment option. Customers located in an Urban Enterprise Zone, Opportunity Zone, owned or operated by a local government, or K-12 public schools. may also qualify for Tier 1 status, up to an average individual facility peak electrical demand of 200 kW .
	Tier 2	For Tier 2 customers, program will offer to pay up to 80% of the project cost to install the recommended energy efficiency measures with the participating customer (and/or landlord) repaying the balance not covered through the incentive either in a lump sum or through a repayment plan. Tier 2 will serve all customers with an average annual individual facility peak demand of up to 300 kW or average annual natural gas load of 40,000 therms located within an Urban Enterprise Zone ("UEZ"), Opportunity Zone, Overburdened Community ("OBC"). Also eligible are customers with an average annual individual facility peak demand of up to 300 kW or an average annual natural gas load of 40,000 therms that are owned or operated by a local	Tier 2 will serve the larger segment of eligible customers, with an average individual facility peak electrical demand of 101 - 200 kW over the past 12 months. Incentives up to 70% of the total project cost will be offered.

		government, K-12 public schools, or that are non-profits categorized as 501(c)3.	
	Tier 3	Tier 3 will serve the larger segment of eligible customers, with an individual facility average annual peak electrical demand of 101 - 300 kW or 5,001 therms to 40,000 therms over the past 12 months. Incentives up to 70% of the total project cost will be offered with the participating customer repaying the balance not covered through the incentive either in a lump sum or through a repayment plan.	N/A - new
Energy Solutions	Engineered Solutions - Tier 1	Will provide a 100% incentive for an up-front audit, the specific audit level will be determined on a project-by-project basis based on the complexity of the facility and the potential energy efficiency measures. In addition, the utilities will buy-down the simple payback of the recommended energy-efficiency project cost for approved measures by up to six years, with the resulting payback not less than three years. After the project incentive buy-down, the remaining project costs may be funded by the program with participants repaying the balance of the project costs through a repayment plan.	The subprogram will provide a 100% incentive for an up-front ASHRAE audit, the specific audit level will be determined on a project by project basis based on the complexity of the facility and the potential energy efficiency measures. In addition, RECO will buy-down the simple payback of the recommended energy-efficiency project cost for approved measures by up to six years, with the resulting payback not less than three years. After the project incentive buy-down, the remaining project costs may be funded by the subprogram with participants repaying the balance of the project costs through OBRP or access to financing with similar terms.
	Engineered Solutions - Tier 2	Incentives for the Engineered Solutions Tier 2 pathway will provide incentives for both technical assistance services and other project costs determined on a project-by-project basis using a cost effectiveness tool up to 60% of project cost.	

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

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

Note

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

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

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

- Multifamily Program

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

Note

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

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

- Building Decarbonization Program

Category	Measure	Units	Rebate Strategy	Existing Rebate Strategy
1	Cold Climate Mini-Split Air Source Heat Pump (ASHP) - partial load heating	Per outdoor unit	NA	$500
2	Cold Climate Mini-Split Air Source Heat Pump (ASHP) - full load heating	Per 10,000 Btu/h of maximum heating capacity at 5 deg F according to NEEP < 25 ton system	$1,500/10 MBH + $500 contractor bonus	$1,600/10 MBH + $500 contractor bonus
2A	Hybrid Heating Integrated Controls		$2,000/10 MBH + $750 contractor bonus	NA
2B	Decommissioning		$3,000/10 MBH + $1,000 contractor bonus	
3	Ground Source Heat Pump (GSHP)	Per 10,000 Btu/h of full load heating capacity as certified by AHRI < 25 ton system	$4,500/10 MBH + $500 contractor bonus	$2,000 + $500 contractor bonus
4	Custom Heating (VRF)	Per MMBtu of annual energy savings	$150/MMBtu + $500 contractor bonus	$80/MMBtu + $500 contractor bonus
4A	Cat 2-4 + Whole Home Project		$400/MMBtu + $500 contractor bonus	NA
5	Residential Heat Pump Water Heater (up to 120 Gallons)	Per unit	$2,500	$1,000
6	Commercial Heat Pump Water Heater (above 120 Gallons)	Per MMBtu of annual energy savings	$150	$80

7	GSHP Desuperheater	Per unit	N/A	$150
8	Dedicated Domestic Hot Water (DHW) Water to Water Heat Pump (WWHP)	Per unit	$2,500	$1,000
9	Simultaneous Installation of Space Heating and Water Heating	Additional	$500 + $250 contractor bonus	$250
Pool	Heat Pump Pool Heater	Per Unit	$2,000	N/A
Cooking	Induction Stove	Per Unit	$1,500	NA
Laundry	Heat Pump Dryer	Per Unit	$1,500	
Lawn	Battery-powered Lawnmower/ Leafblower/ Chainsaw/ Trimmer	Per Unit	$100	

- Demand Response Program

Program	**Measure**	**Paid**	**Rebate Strategy**	**Existing Rebate Strategy**
BYOD	Smart thermostats	Per eligible thermostat	New Enrollment: $85 per eligible thermostat (must have WiFi connection and control a central heat pump/central AC) Continued-Enrollment: $25 per customer per year starting in second year of enrollment	
Commercial (CSRP)	Demand reduction	Per kW/kWh	Reservation Payment customers receive up to $4 per kW-month pledged x Performance Factor (May – Sept) Performance Payment is up to $1.50 per kWh provided during an Event Performance Factor is calculated by kW pledged/kW reduced, not to exceed 1.0, and will carry over until the next event. All Performance Factors begin at 0.5	

6.i APPENDIX I - Comfort Partners Transition Plan

The Utilities strongly believe the current Comfort Partners Program ("CP") should be transitioned to full Utility administration in the second triennium and are grateful to the Board for its consideration of the transition to the utilities. There are several reasons the Utilities believe this transition is both beneficial to customers and consistent with the Clean Energy Act. The Utilities believe we can benefit customers by consolidating program design, implementation and evaluation. For participants, having the low-income segment program designed and marketed with the moderate-income program will improve the customer experience by easing access to the program through a streamlined and singular path of entry; the consolidation of the low- and moderate- income segment programs will also allow for the alignment of marketing, the application process, and implementation. It will become a seamless program for all income-qualified customers, as opposed to having two separate, potentially confusing, program offerings in the market.

Furthermore, administration and evaluation of the program would be consolidated within the utilities' program portfolio, which will help to better manage the costs of the program to all customers by integrating the administration and evaluation costs within the larger portfolio and taking advantage of economies of scale. And finally, this switch combines the responsibility for savings performance and budgets to the Utilities alone, which clarifies responsibility in achievement of the Clean Energy Act savings targets and streamlines reporting. The current program cycle has savings and budget responsibility split between the Utilities and the Division of Clean Energy, which does not provide the Utilities with adequate opportunity to appropriately manage the program and achieve the mandated targets.

This document details the utilities' proposed plan to ensure a smooth transition from the existing co-managed Comfort Partners Program to the new utility-run Income Qualified Program.

Schedule

Planning Period

The Planning Period is necessary for the Utilities to develop a detailed tactical approach for the transition. This Planning Period is expected to run from July 2024 through January 2025. Although some high-level exploratory pre-planning efforts necessary to develop the Utility filings have already been underway, this more detailed planning period, starting in 2024, is critical to ensure a seamless transition of the myriad processes and responsibilities that will make the transition and future program successful. This period is required to ensure the Utilities have enough time to address details related to sunsetting Comfort Partners and transitioning processes and resources to the new combined Income Qualified Program. Note that the transition timeline is subject to adjustment to allow for a timely and effective process.

Soft Transition Period

The Soft Transition Period, is defined as the six-month period during which, Comfort Partners is expected to remain unchanged with regards to services delivered, resource allocation, implementation vendors, procedures manual, marketing strategy, eligibility criteria, data tracking systems, etc. During the Soft Transition Period, the Comfort Partners Program budget will be included in the utilities' filed budgets, specifically the Income Qualified Program. Additionally, Board Staff will no longer have a program administrative role but will retain regulatory oversight of the program similar to the role they have with other CEA programs.

During the Soft Transition Period, the Utilities will also begin to execute the transition plan developed during the Planning Period. This includes implementing the closeout of specific Comfort Partners operations such as marketing, enrollment, and assessments prior to the launch of the new combined Income Qualified Program.

During the final months of the Soft Transition Period, the Utilities will also begin to ramp-up the new combined Income Qualified Program in parallel with the Comfort Partners Program sunset. The ramp-up involves training vendors, launching marketing, preparing enrollment resources, and eventually scheduling assessments; all to ensure the transition is seamless for customers and program momentum is maintained (some activities could feature a minor overlap between the programs in order to ensure there are no gaps in customer access to the program offering and to seek to avoid disruption to the workforce serving the program).

The schedule allows for an important timing overlap between the Comfort Partners sunset and the new combined Income Qualified Program launch which will be crucial to maintaining participation momentum in this customer segment. The overlapping period allows for the Comfort Partners Working Group to close out committed work-in-progress jobs and shutdown systems and processes related to the legacy Comfort Partners Program. Having this additional time to close out committed customer projects enables the Comfort Partners Program to continue to serve customers up until the new combined Income Qualified Program can begin enrollment efforts, eliminating any gap in service.

New Combined Income Qualified Program

The second period of the transition, which will begin in PY5, represents the time post-launch of the new combined Income Qualified Program that will serve both low- and moderate-income residential customers.

Please find the full description of the Income Qualified Program in Section 3.a.i.2 of this Program Plan.

Comfort Partners Transition Plan	2023						2024											
Milestones	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Comfort Partners Fiscal Year 2024 (Unchanged)																		
Comfort Partners Fiscal Year 2025 (6-Month BPU Compliance Filing)																		
Planning																		
Finalize Details - Comfort Partners Sunset Plan																		
Finalize Details - New Program Transition Plan																		
Soft Transition Period																		
Comfort Partners Continues Operation (Modified)																		
Execute Implementation of Transition Plan																		
CP Vendors Close Remaining Work-in-Progress Jobs																		
CP Systems & Processes Transition Completed																		
New Combined Income Qualified Program																		
Pre-Launch Activities																		
Execute Implementation of Income Qualified Program																		

Comfort Partners Transition Plan	2025												2026		
Milestones	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Comfort Partners Fiscal Year 2024 (Unchanged)															
Comfort Partners Fiscal Year 2025 (6-Month BPU Compliance Filing)															
Planning															
Finalize Details - Comfort Partners Sunset Plan															
Finalize Details - New Program Transition Plan															
Soft Transition Period															
Comfort Partners Continues Operation (Modified)															
Execute Implementation of Transition Plan															
CP Vendors Close Remaining Work-in-Progress Jobs															
CP Systems & Processes Transition Completed															
New Combined Income Qualified Program															
Pre-Launch Activities															
Execute Implementation of Income Qualified Program															

Note:

1) **Comfort Partners Program Fiscal Year 2024** – Comfort Partners will remain unimpacted by the transition plan during Fiscal Year 2024. The Fiscal Year 2024 Compliance Filing will govern the Comfort Partners Program during this period, as per the normal process historically.
2) **Comfort Partners Program Fiscal Year 2025 (1st Half)** – The Division of Clean Energy submits a Compliance Filing for a 6-month abbreviated Program Year running from July 2024 through December 2024.
3) **Comfort Partners Program Fiscal Year 2025 (2nd Half)** – January 2025 to mark the start of the Soft Transition Period, in which, the Program maintains the implementation and contracting structure but transitions funding from SBC to CEA funds.
4) Transition timeline is subject to adjustment to allow for a timely and effective process.

Budgets

Triennium 2

Utilities will consider historical incentive budgets to determine what the annual Low-Income budget should be within the overall Income-Qualified Program offering. The filing will include individual Utility budgets for the next triennium.

Administration

The Soft Transition Period is tentatively scheduled to begin January, 2025. During that timeframe, the Comfort Partners Working Group will continue to implement the program similar to previous years, including the implementation structure, procedures manual, vendors, marketing strategy, enrollment criteria, data tracking system, etc. The CP Working Group will coordinate with the Joint Utility Residential Working Group during this time. Board Staff will no longer have a program administrative role but will retain regulatory oversight of the program similar to the role they have with other CEA programs. Quarterly and annual reports will be provided with regards to program targets via the existing Utility CEA program reporting process and the Utilities can provide status updates through the Utility Working Group discussions.

The Income Qualified Program will be similar to the current Moderate Income Weatherization Program implementation structure. The dollars, participants, and savings will be shared via the SWC system. Each Utility will hire their own implementation vendors to operate the program in their territory and coordinate delivery of the program with their other residential-sector programs in order to streamline customer access to the programs. Utilities may consider continuing working relationships with current Comfort Partners vendors where possible.

During the soft transition period, Comfort Partners and the moderate-income pathway in the Income Qualified Program will not change their eligibility thresholds, rules, and verification process from the way they are currently handled. The future, combined Income Qualified Program will continue to utilize the Federal Poverty Level thresholds for low- and moderate-income that were used in the previous programs, but may consider adjusting them in the future, particularly to align and leverage other programs targeted at low-income customers or to take advantage of Inflation Reduction Act[13] ("IRA") incentives.

The Utilities will consider adjusting the landlord approval process as related to tenant participation.

Regarding the multifamily rules/procedures, the program will remain consistent during the Soft Transition Period.

Net Cost Savings / Additional Benefits

The utilization of a multi-year budget cycle will allow for better long-term forecasting and provide

[13] 1 - Pub.L. 117-169

consistency and predictability to program management. This approach would allow Utilities to continuously improve management and implementation processes to provide increased efficiencies and reduce administrative burden and costs.

Reduced administrative burden would provide benefits to the utilities, their low- and moderate-income customers, and all utility customers, by lowering the total costs of program administration. In its current state, the Comfort Partners Program is delivered jointly and collaboratively by the seven investor-owned utilities in New Jersey. This requires duplicative effort in legal review, info and cyber security, senior leadership review and execution, etc. for contracting efforts.

There are a number of contributing factors that make it difficult to estimate the potential combined utility costs savings at this time. These include but are not limited to:

- An expectation that the Utilities will serve more participants so some administrative savings may be absorbed by the need to process additional projects.
- Intention to increase the allowance for health and safety expenses to improve the historic percentage of customers that have not been able to fully proceed through the program which will result in larger projects that may require more administrative review.
- More detailed information about processes will not be available until after the transition period is completed
- Unknown potential administrative activities that may be necessary if the program aligns with IRA programs

However, at a minimum the Utilities believe there would be savings from the elimination of the use of the current joint program tracking system by PY6. The current forecasted annual cost is approximately $800,000.

Combination of the low- and moderate-income programs ("LMI") would ease confusion with the customer base and ensure that potential participants are directed to the pathway that is right for them rather than try to find the right pathway to fit their needs. A combined Income Qualified Program would ease contractor confusion and reduce the need for referrals from one program to another, streamlining the customer journey to ensure they begin receiving services on the first visit, and reducing unproductive visits from contractors leading to non-billable hours. This would help reduce the costs of implementation, providing that every visit would be productive. Additionally, this would help prevent income-qualified customers from having to use vacation days, sick time, or unpaid time off for appointments that are unproductive, and reduce the need for multiple visits with no services rendered.

The removal of defined territories for individual implementation contractors would enable implementers within each Utility's territory to address customers in a more timely manner.

Customers residing in joint delivery territory could potentially be addressed by multiple contractors, providing additional flexibility of scheduling and delivery of services.

A single combined income-qualified offering would simplify marketing and outreach efforts by providing a single point of entry and casting a larger net to reach a larger population of potential participants. A combined offering would ease training of outreach coordinators and community

partners, which would help the outreach efforts reach a larger population. A combined offering could also make it easier to align with available federal funding for integration into these programs in the future.

Lastly, a combined offering would enable simpler reporting of key metrics and expenditures to regulators.

Exhibit RFP-1 Rate Surcharge Calculation and Monthly Billing Comparisons

ROCKLAND ELECTRIC COMPANY

RATE PANEL EXHIBIT RFP

TITLE OF SCHEDULES

RFP-1, Schedule 1: Calculation of Surcharges

RFP-1, Schedule 2: Monthly Billing Comparisons - Program Year 4

RFP-1, Schedule 3: Monthly Billing Comparisons - Program Year 5

RFP-1, Schedule 4: Monthly Billing Comparisons - Program Year 6

Rockland Electric Company
Calculation of Energy Efficiency and
Peak Demand Reduction Cost Recovery Charge

	Program Year 4
Revenue Requirement	**$2,086,117**
Estimated kWh Sales June 2026 - May 2027	1,582,458,997
Year 4 Surcharge ($/kWH) Excluding SUT*	0.00132
SUT	6.625%
Year 4 Surcharge ($/kWH) Including SUT	0.00141
Year 4 Surcharge (¢/kWH) Including SUT	0.141

	Program Year 5
Revenue Requirement	**$6,325,819**
Estimated kWh Sales June 2027 - May 2028	1,583,048,824
Year 5 Surcharge ($/kWH) Excluding SUT*	0.004
SUT	6.625%
Year 5 Surcharge ($/kWH) Including SUT	0.00427
Year 5 Surcharge (¢/kWH) Including SUT	0.427

	Program Year 6
Revenue Requirement	**$9,074,921**
Estimated kWh Sales June 2028 - May 2029	1,595,390,475
Year 6 Surcharge ($/kWH) Excluding SUT*	0.00569
SUT	6.625%
Year 6 Surcharge ($/kWH) Including SUT	0.00607
Year 6 Surcharge (¢/kWH) Including SUT	0.607

* Will also include any prior period reconciliation

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC1 Residential

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$5.75	$5.75	$0.00	0.0
	50	13.76	13.83	0.07	0.5
	100	21.77	21.91	0.14	0.6
	200	37.78	38.06	0.28	0.7
	250	45.79	46.14	0.35	0.8
	300	53.80	54.22	0.42	0.8
	400	69.81	70.38	0.57	0.8
	500	85.83	86.53	0.70	0.8
	750	137.49	138.55	1.06	0.8
	1,000	196.90	198.31	1.41	0.7
	1,500	315.71	317.83	2.12	0.7
	2,000	434.53	437.35	2.82	0.6
Winter					
	0	$5.75	$5.75	$0.00	0.0
	50	15.56	15.63	0.07	0.4
	100	25.38	25.52	0.14	0.6
	200	45.00	45.28	0.28	0.6
	250	54.81	55.17	0.36	0.7
	300	64.63	65.05	0.42	0.6
	400	84.25	84.82	0.57	0.7
	500	103.88	104.58	0.70	0.7
	750	152.94	154.00	1.06	0.7
	1,000	202.01	203.42	1.41	0.7
	1,500	300.13	302.25	2.12	0.7
	2,000	398.26	401.08	2.82	0.7

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Service - Unmetered

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$14.00	$14.00	$0.00	0.0
	100	$29.98	$30.12	0.14	0.5
	200	$45.96	$46.24	0.28	0.6
	300	$61.94	$62.36	0.42	0.7
	400	$77.91	$78.48	0.57	0.7
	500	$93.89	$94.60	0.71	0.8
	750	$133.84	$134.90	1.06	0.8
	1,000	$173.79	$175.20	1.41	0.8
	1,250	$213.73	$215.49	1.76	0.8
	1,500	$253.68	$255.79	2.11	0.8
	1,750	$293.62	$296.09	2.47	0.8
	2,000	$333.57	$336.39	2.82	0.8
Winter					
	0	$14.00	$14.00	$0.00	0.0
	50	$21.94	$22.01	0.07	0.3
	100	$29.88	$30.02	0.14	0.5
	200	$45.75	$46.03	0.28	0.6
	250	$53.69	$54.04	0.35	0.7
	300	$61.63	$62.05	0.42	0.7
	400	$77.50	$78.07	0.57	0.7
	500	$93.38	$94.08	0.70	0.7
	750	$133.07	$134.12	1.05	0.8
	1,000	$172.76	$174.17	1.41	0.8
	1,500	$252.13	$254.25	2.12	0.8
	2,000	$331.51	$334.33	2.82	0.9

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Service - Non-Demand Metered

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$16.00	$16.00	$0.00	0.0
	100	$31.98	$32.12	0.14	0.4
	200	$47.96	$48.24	0.28	0.6
	300	$63.94	$64.36	0.42	0.7
	400	$79.91	$80.48	0.57	0.7
	500	$95.89	$96.60	0.71	0.7
	750	$135.84	$136.90	1.06	0.8
	1,000	$175.79	$177.20	1.41	0.8
	1,250	$215.73	$217.49	1.76	0.8
	1,500	$255.68	$257.79	2.11	0.8
	1,750	$295.62	$298.09	2.47	0.8
	2,000	$335.57	$338.39	2.82	0.8
Winter					
	0	$16.00	$16.00	$0.00	0.0
	50	$23.94	$24.01	0.07	0.3
	100	$31.88	$32.02	0.14	0.4
	200	$47.75	$48.03	0.28	0.6
	250	$55.69	$56.04	0.35	0.6
	300	$63.63	$64.05	0.42	0.7
	400	$79.50	$80.07	0.57	0.7
	500	$95.38	$96.08	0.70	0.7
	750	$135.07	$136.12	1.05	0.8
	1,000	$174.76	$176.17	1.41	0.8
	1,500	$254.13	$256.25	2.12	0.8
	2,000	$333.51	$336.33	2.82	0.8

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Secondary Service - Summer

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
7	700	$182.50	$183.49	$0.99	0.5
7	1,400	$281.59	$283.56	1.97	0.7
7	2,100	$380.68	$383.64	2.96	0.8
7	2,800	$479.76	$483.71	3.95	0.8
10	1,000	$255.21	$256.62	1.41	0.6
10	2,000	$396.76	$399.58	2.82	0.7
10	3,000	$538.32	$542.55	4.23	0.8
10	4,000	$679.87	$685.51	5.64	0.8
25	2,500	$618.74	$622.26	3.52	0.6
25	5,000	$965.86	$972.91	7.05	0.7
25	7,500	$1,108.22	$1,118.79	10.57	1.0
25	10,000	$1,250.58	$1,264.68	14.10	1.1
50	5,000	$1,217.86	$1,224.91	7.05	0.6
50	10,000	$1,502.58	$1,516.68	14.10	0.9
50	15,000	$1,787.31	$1,808.46	21.15	1.2
50	20,000	$2,072.03	$2,100.23	28.20	1.4
100	10,000	$2,006.58	$2,020.68	14.10	0.7
100	20,000	$2,576.03	$2,604.23	28.20	1.1
100	30,000	$3,145.48	$3,187.78	42.30	1.3
100	40,000	$3,714.93	$3,771.33	56.40	1.5
150	15,000	$2,795.31	$2,816.46	21.15	0.8
150	30,000	$3,649.48	$3,691.78	42.30	1.2
150	45,000	$4,503.66	$4,567.11	63.45	1.4
150	60,000	$5,357.83	$5,442.43	84.60	1.6

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Secondary Service - Winter

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
7	700	$172.47	$173.46	$0.99	0.6
7	1,400	270.53	272.50	1.97	0.7
7	2,100	368.58	371.54	2.96	0.8
7	2,800	466.63	470.58	3.95	0.8
10	1,000	239.43	240.84	1.41	0.6
10	2,000	379.50	382.32	2.82	0.7
10	3,000	519.58	523.81	4.23	0.8
10	4,000	659.65	665.29	5.64	0.9
25	2,500	574.19	577.71	3.52	0.6
25	5,000	917.67	924.72	7.05	0.8
25	7,500	1,058.36	1,068.93	10.57	1.0
25	10,000	1,199.05	1,213.15	14.10	1.2
50	5,000	1,125.42	1,132.47	7.05	0.6
50	10,000	1,406.80	1,420.90	14.10	1.0
50	15,000	1,688.17	1,709.32	21.15	1.3
50	20,000	1,969.55	1,997.75	28.20	1.4
100	10,000	1,822.30	1,836.40	14.10	0.8
100	20,000	2,385.05	2,413.25	28.20	1.2
100	30,000	2,947.80	2,990.10	42.30	1.4
100	40,000	3,510.55	3,566.95	56.40	1.6
150	15,000	2,519.17	2,540.32	21.15	0.8
150	30,000	3,363.30	3,405.60	42.30	1.3
150	45,000	4,207.42	4,270.87	63.45	1.5
150	60,000	5,051.55	5,136.15	84.60	1.7

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Primary Service - Summer

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
100	20,000	$3,816.80	$3,845.00	$28.20	0.7
100	30,000	5,071.25	5,113.55	42.30	0.8
100	40,000	6,325.70	6,382.10	56.40	0.9
100	50,000	7,580.15	7,650.65	70.50	0.9
150	30,000	5,675.25	5,717.55	42.30	0.7
150	45,000	7,556.93	7,620.38	63.45	0.8
150	60,000	9,438.60	9,523.20	84.60	0.9
150	75,000	11,320.28	11,426.03	105.75	0.9
200	40,000	7,533.70	7,590.10	56.40	0.7
200	60,000	10,042.60	10,127.20	84.60	0.8
200	80,000	12,551.50	12,664.30	112.80	0.9
200	100,000	15,060.40	15,201.40	141.00	0.9
500	100,000	18,684.40	18,825.40	141.00	0.8
500	150,000	24,956.65	25,168.15	211.50	0.8
500	200,000	31,228.90	31,510.90	282.00	0.9
500	250,000	37,501.15	37,853.65	352.50	0.9
750	150,000	27,976.65	28,188.15	211.50	0.8
750	225,000	37,385.03	37,702.28	317.25	0.8
750	300,000	46,793.40	47,216.40	423.00	0.9
750	375,000	56,201.78	56,730.53	528.75	0.9
1000	200,000	37,268.90	37,550.90	282.00	0.8
1000	300,000	49,813.40	50,236.40	423.00	0.8
1000	400,000	62,357.90	62,921.90	564.00	0.9
1000	500,000	74,902.40	75,607.40	705.00	0.9

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Primary Service - Winter

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
100	20,000	$3,628.75	$3,656.95	$28.20	0.8
100	30,000	4,884.30	4,926.60	42.30	0.9
100	40,000	6,139.85	6,196.25	56.40	0.9
100	50,000	7,395.40	7,465.90	70.50	1.0
150	30,000	5,392.30	5,434.60	42.30	0.8
150	45,000	7,275.63	7,339.08	63.45	0.9
150	60,000	9,158.95	9,243.55	84.60	0.9
150	75,000	11,042.28	11,148.03	105.75	1.0
200	40,000	7,155.85	7,212.25	56.40	0.8
200	60,000	9,666.95	9,751.55	84.60	0.9
200	80,000	12,178.05	12,290.85	112.80	0.9
200	100,000	14,689.15	14,830.15	141.00	1.0
500	100,000	17,737.15	17,878.15	141.00	0.8
500	150,000	24,014.90	24,226.40	211.50	0.9
500	200,000	30,292.65	30,574.65	282.00	0.9
500	250,000	36,570.40	36,922.90	352.50	1.0
750	150,000	26,554.90	26,766.40	211.50	0.8
750	225,000	35,971.53	36,288.78	317.25	0.9
750	300,000	45,388.15	45,811.15	423.00	0.9
750	375,000	54,804.78	55,333.53	528.75	1.0
1000	200,000	35,372.65	35,654.65	282.00	0.8
1000	300,000	47,928.15	48,351.15	423.00	0.9
1000	400,000	60,483.65	61,047.65	564.00	0.9
1000	500,000	73,039.15	73,744.15	705.00	1.0

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Annual Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$422,063	$427,139	5,076	1.2
1,000	300,000	50%	50%	424,466	429,542	5,076	1.2
1,000	400,000	35%	65%	486,410	493,178	6,768	1.4
1,000	400,000	50%	50%	489,614	496,382	6,768	1.4
2,000	600,000	35%	65%	840,527	850,679	10,152	1.2
2,000	600,000	50%	50%	845,333	855,485	10,152	1.2
2,000	800,000	35%	65%	969,221	982,757	13,536	1.4
2,000	800,000	50%	50%	975,629	989,165	13,536	1.4
3,000	900,000	35%	65%	1,258,990	1,274,218	15,228	1.2
3,000	900,000	50%	50%	1,266,199	1,281,427	15,228	1.2
3,000	1,200,000	35%	65%	1,452,031	1,472,335	20,304	1.4
3,000	1,200,000	50%	50%	1,461,643	1,481,947	20,304	1.4
4,000	1,200,000	35%	65%	1,677,454	1,697,758	20,304	1.2
4,000	1,200,000	50%	50%	1,687,066	1,707,370	20,304	1.2
4,000	1,600,000	35%	65%	1,934,841	1,961,913	27,072	1.4
4,000	1,600,000	50%	50%	1,947,657	1,974,729	27,072	1.4
5,000	1,500,000	35%	65%	2,095,917	2,121,297	25,380	1.2
5,000	1,500,000	50%	50%	2,107,932	2,133,312	25,380	1.2
5,000	2,000,000	35%	65%	2,417,652	2,451,492	33,840	1.4
5,000	2,000,000	50%	50%	2,433,672	2,467,512	33,840	1.4

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Summer Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$35,478.62	$35,901.62	$423.00	1.2
1,000	300,000	50%	50%	35,678.87	36,101.87	423.00	1.2
1,000	400,000	35%	65%	40,840.86	41,404.86	564.00	1.4
1,000	400,000	50%	50%	41,107.86	41,671.86	564.00	1.4
2,000	600,000	35%	65%	70,657.24	71,503.24	846.00	1.2
2,000	600,000	50%	50%	71,057.74	71,903.74	846.00	1.2
2,000	800,000	35%	65%	81,381.72	82,509.72	1,128.00	1.4
2,000	800,000	50%	50%	81,915.72	83,043.72	1,128.00	1.4
3,000	900,000	35%	65%	105,835.86	107,104.86	1,269.00	1.2
3,000	900,000	50%	50%	106,436.61	107,705.61	1,269.00	1.2
3,000	1,200,000	35%	65%	121,922.58	123,614.58	1,692.00	1.4
3,000	1,200,000	50%	50%	122,723.58	124,415.58	1,692.00	1.4
4,000	1,200,000	35%	65%	141,014.48	142,706.48	1,692.00	1.2
4,000	1,200,000	50%	50%	141,815.48	143,507.48	1,692.00	1.2
4,000	1,600,000	35%	65%	162,463.44	164,719.44	2,256.00	1.4
4,000	1,600,000	50%	50%	163,531.44	165,787.44	2,256.00	1.4
5,000	1,500,000	35%	65%	176,193.10	178,308.10	2,115.00	1.2
5,000	1,500,000	50%	50%	177,194.35	179,309.35	2,115.00	1.2
5,000	2,000,000	35%	65%	203,004.30	205,824.30	2,820.00	1.4
5,000	2,000,000	50%	50%	204,339.30	207,159.30	2,820.00	1.4

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Winter Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$35,018.62	$35,441.62	$423.00	1.2
1,000	300,000	50%	50%	35,218.87	35,641.87	423.00	1.2
1,000	400,000	35%	65%	40,380.86	40,944.86	564.00	1.4
1,000	400,000	50%	50%	40,647.86	41,211.86	564.00	1.4
2,000	600,000	35%	65%	69,737.24	70,583.24	846.00	1.2
2,000	600,000	50%	50%	70,137.74	70,983.74	846.00	1.2
2,000	800,000	35%	65%	80,461.72	81,589.72	1,128.00	1.4
2,000	800,000	50%	50%	80,995.72	82,123.72	1,128.00	1.4
3,000	900,000	35%	65%	104,455.86	105,724.86	1,269.00	1.2
3,000	900,000	50%	50%	105,056.61	106,325.61	1,269.00	1.2
3,000	1,200,000	35%	65%	120,542.58	122,234.58	1,692.00	1.4
3,000	1,200,000	50%	50%	121,343.58	123,035.58	1,692.00	1.4
4,000	1,200,000	35%	65%	139,174.48	140,866.48	1,692.00	1.2
4,000	1,200,000	50%	50%	139,975.48	141,667.48	1,692.00	1.2
4,000	1,600,000	35%	65%	160,623.44	162,879.44	2,256.00	1.4
4,000	1,600,000	50%	50%	161,691.44	163,947.44	2,256.00	1.4
5,000	1,500,000	35%	65%	173,893.10	176,008.10	2,115.00	1.2
5,000	1,500,000	50%	50%	174,894.35	177,009.35	2,115.00	1.2
5,000	2,000,000	35%	65%	200,704.30	203,524.30	2,820.00	1.4
5,000	2,000,000	50%	50%	202,039.30	204,859.30	2,820.00	1.4

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Annual Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$341,957	$347,033	5,076	1.5
1,000	300,000	50%	50%	342,238	347,314	5,076	1.5
1,000	400,000	35%	65%	390,565	397,333	6,768	1.7
1,000	400,000	50%	50%	390,940	397,708	6,768	1.7
2,000	600,000	35%	65%	656,457	666,609	10,152	1.5
2,000	600,000	50%	50%	657,018	667,170	10,152	1.5
2,000	800,000	35%	65%	753,673	767,209	13,536	1.8
2,000	800,000	50%	50%	754,422	767,958	13,536	1.8
3,000	900,000	35%	65%	970,956	986,184	15,228	1.6
3,000	900,000	50%	50%	971,799	987,027	15,228	1.6
3,000	1,200,000	35%	65%	1,116,781	1,137,085	20,304	1.8
3,000	1,200,000	50%	50%	1,117,904	1,138,208	20,304	1.8
4,000	1,200,000	35%	65%	1,285,456	1,305,760	20,304	1.6
4,000	1,200,000	50%	50%	1,286,579	1,306,883	20,304	1.6
4,000	1,600,000	35%	65%	1,479,889	1,506,961	27,072	1.8
4,000	1,600,000	50%	50%	1,481,387	1,508,459	27,072	1.8
5,000	1,500,000	35%	65%	1,599,956	1,625,336	25,380	1.6
5,000	1,500,000	50%	50%	1,601,360	1,626,740	25,380	1.6
5,000	2,000,000	35%	65%	1,842,997	1,876,837	33,840	1.8
5,000	2,000,000	50%	50%	1,844,869	1,878,709	33,840	1.8

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Summer Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$28,583.09	$29,006.09	$423.00	1.5
1,000	300,000	50%	50%	28,606.49	29,029.49	423.00	1.5
1,000	400,000	35%	65%	32,633.78	33,197.78	564.00	1.7
1,000	400,000	50%	50%	32,664.98	33,228.98	564.00	1.7
2,000	600,000	35%	65%	54,878.06	55,724.06	846.00	1.5
2,000	600,000	50%	50%	54,924.86	55,770.86	846.00	1.5
2,000	800,000	35%	65%	62,979.44	64,107.44	1,128.00	1.8
2,000	800,000	50%	50%	63,041.84	64,169.84	1,128.00	1.8
3,000	900,000	35%	65%	81,173.03	82,442.03	1,269.00	1.6
3,000	900,000	50%	50%	81,243.23	82,512.23	1,269.00	1.6
3,000	1,200,000	35%	65%	93,325.10	95,017.10	1,692.00	1.8
3,000	1,200,000	50%	50%	93,418.70	95,110.70	1,692.00	1.8
4,000	1,200,000	35%	65%	107,468.00	109,160.00	1,692.00	1.6
4,000	1,200,000	50%	50%	107,561.60	109,253.60	1,692.00	1.6
4,000	1,600,000	35%	65%	123,670.76	125,926.76	2,256.00	1.8
4,000	1,600,000	50%	50%	123,795.56	126,051.56	2,256.00	1.8
5,000	1,500,000	35%	65%	133,762.97	135,877.97	2,115.00	1.6
5,000	1,500,000	50%	50%	133,879.97	135,994.97	2,115.00	1.6
5,000	2,000,000	35%	65%	154,016.42	156,836.42	2,820.00	1.8
5,000	2,000,000	50%	50%	154,172.42	156,992.42	2,820.00	1.8

*All Rates Include Sales and Use Tax

Program Year 4

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Winter Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$28,453.09	$28,876.09	$423.00	1.5
1,000	300,000	50%	50%	28,476.49	28,899.49	423.00	1.5
1,000	400,000	35%	65%	32,503.78	33,067.78	564.00	1.7
1,000	400,000	50%	50%	32,534.98	33,098.98	564.00	1.7
2,000	600,000	35%	65%	54,618.06	55,464.06	846.00	1.5
2,000	600,000	50%	50%	54,664.86	55,510.86	846.00	1.5
2,000	800,000	35%	65%	62,719.44	63,847.44	1,128.00	1.8
2,000	800,000	50%	50%	62,781.84	63,909.84	1,128.00	1.8
3,000	900,000	35%	65%	80,783.03	82,052.03	1,269.00	1.6
3,000	900,000	50%	50%	80,853.23	82,122.23	1,269.00	1.6
3,000	1,200,000	35%	65%	92,935.10	94,627.10	1,692.00	1.8
3,000	1,200,000	50%	50%	93,028.70	94,720.70	1,692.00	1.8
4,000	1,200,000	35%	65%	106,948.00	108,640.00	1,692.00	1.6
4,000	1,200,000	50%	50%	107,041.60	108,733.60	1,692.00	1.6
4,000	1,600,000	35%	65%	123,150.76	125,406.76	2,256.00	1.8
4,000	1,600,000	50%	50%	123,275.56	125,531.56	2,256.00	1.8
5,000	1,500,000	35%	65%	133,112.97	135,227.97	2,115.00	1.6
5,000	1,500,000	50%	50%	133,229.97	135,344.97	2,115.00	1.6
5,000	2,000,000	35%	65%	153,366.42	156,186.42	2,820.00	1.8
5,000	2,000,000	50%	50%	153,522.42	156,342.42	2,820.00	1.8

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC1 Residential

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$5.75	$5.75	$0.00	0.0
	50	13.83	13.97	0.14	1.0
	100	21.91	22.19	0.28	1.3
	200	38.06	38.64	0.58	1.5
	250	46.14	46.86	0.72	1.6
	300	54.22	55.08	0.86	1.6
	400	70.38	71.52	1.14	1.6
	500	86.53	87.96	1.43	1.7
	750	138.55	140.69	2.14	1.5
	1,000	198.31	201.17	2.86	1.4
	1,500	317.83	322.12	4.29	1.3
	2,000	437.35	443.07	5.72	1.3
Winter					
	0	$5.75	$5.75	$0.00	0.0
	50	15.63	15.78	0.15	1.0
	100	25.52	25.80	0.28	1.1
	200	45.28	45.86	0.58	1.3
	250	55.17	55.88	0.71	1.3
	300	65.05	65.91	0.86	1.3
	400	84.82	85.96	1.14	1.3
	500	104.58	106.01	1.43	1.4
	750	154.00	156.14	2.14	1.4
	1,000	203.42	206.28	2.86	1.4
	1,500	302.25	306.54	4.29	1.4
	2,000	401.08	406.80	5.72	1.4

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Service - Unmetered

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$14.00	$14.00	$0.00	0.0
	100	$30.12	$30.41	0.29	1.0
	200	$46.24	$46.81	0.57	1.2
	300	$62.36	$63.22	0.86	1.4
	400	$78.48	$79.62	1.14	1.5
	500	$94.60	$96.03	1.43	1.5
	750	$134.90	$137.04	2.14	1.6
	1,000	$175.20	$178.06	2.86	1.6
	1,250	$215.49	$219.07	3.58	1.7
	1,500	$255.79	$260.08	4.29	1.7
	1,750	$296.09	$301.10	5.01	1.7
	2,000	$336.39	$342.11	5.72	1.7
Winter					
	0	$14.00	$14.00	$0.00	0.0
	50	$22.01	$22.15	0.14	0.6
	100	$30.02	$30.30	0.28	0.9
	200	$46.03	$46.61	0.58	1.3
	250	$54.04	$54.76	0.72	1.3
	300	$62.05	$62.91	0.86	1.4
	400	$78.07	$79.21	1.14	1.5
	500	$94.08	$95.51	1.43	1.5
	750	$134.12	$136.27	2.15	1.6
	1,000	$174.17	$177.03	2.86	1.6
	1,500	$254.25	$258.54	4.29	1.7
	2,000	$334.33	$340.05	5.72	1.7

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Service - Non-Demand Metered

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$16.00	$16.00	$0.00	0.0
	100	$32.12	$32.41	0.29	0.9
	200	$48.24	$48.81	0.57	1.2
	300	$64.36	$65.22	0.86	1.3
	400	$80.48	$81.62	1.14	1.4
	500	$96.60	$98.03	1.43	1.5
	750	$136.90	$139.04	2.14	1.6
	1,000	$177.20	$180.06	2.86	1.6
	1,250	$217.49	$221.07	3.58	1.6
	1,500	$257.79	$262.08	4.29	1.7
	1,750	$298.09	$303.10	5.01	1.7
	2,000	$338.39	$344.11	5.72	1.7
Winter					
	0	$16.00	$16.00	$0.00	0.0
	50	$24.01	$24.15	0.14	0.6
	100	$32.02	$32.30	0.28	0.9
	200	$48.03	$48.61	0.58	1.2
	250	$56.04	$56.76	0.72	1.3
	300	$64.05	$64.91	0.86	1.3
	400	$80.07	$81.21	1.14	1.4
	500	$96.08	$97.51	1.43	1.5
	750	$136.12	$138.27	2.15	1.6
	1,000	$176.17	$179.03	2.86	1.6
	1,500	$256.25	$260.54	4.29	1.7
	2,000	$336.33	$342.05	5.72	1.7

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Secondary Service - Summer

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
7	700	$183.49	$185.49	$2.00	1.1
7	1,400	$283.56	$287.57	4.01	1.4
7	2,100	$383.64	$389.64	6.00	1.6
7	2,800	$483.71	$491.72	8.01	1.7
10	1,000	$256.62	$259.48	2.86	1.1
10	2,000	$399.58	$405.30	5.72	1.4
10	3,000	$542.55	$551.13	8.58	1.6
10	4,000	$685.51	$696.95	11.44	1.7
25	2,500	$622.26	$629.41	7.15	1.1
25	5,000	$972.91	$987.21	14.30	1.5
25	7,500	$1,118.79	$1,140.24	21.45	1.9
25	10,000	$1,264.68	$1,293.28	28.60	2.3
50	5,000	$1,224.91	$1,239.21	14.30	1.2
50	10,000	$1,516.68	$1,545.28	28.60	1.9
50	15,000	$1,808.46	$1,851.36	42.90	2.4
50	20,000	$2,100.23	$2,157.43	57.20	2.7
100	10,000	$2,020.68	$2,049.28	28.60	1.4
100	20,000	$2,604.23	$2,661.43	57.20	2.2
100	30,000	$3,187.78	$3,273.58	85.80	2.7
100	40,000	$3,771.33	$3,885.73	114.40	3.0
150	15,000	$2,816.46	$2,859.36	42.90	1.5
150	30,000	$3,691.78	$3,777.58	85.80	2.3
150	45,000	$4,567.11	$4,695.81	128.70	2.8
150	60,000	$5,442.43	$5,614.03	171.60	3.2

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Secondary Service - Winter

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
7	700	$173.46	$175.46	$2.00	1.2
7	1,400	272.50	276.50	4.00	1.5
7	2,100	371.54	377.54	6.00	1.6
7	2,800	470.58	478.59	8.01	1.7
10	1,000	240.84	243.70	2.86	1.2
10	2,000	382.32	388.04	5.72	1.5
10	3,000	523.81	532.39	8.58	1.6
10	4,000	665.29	676.73	11.44	1.7
25	2,500	577.71	584.86	7.15	1.2
25	5,000	924.72	939.02	14.30	1.5
25	7,500	1,068.93	1,090.38	21.45	2.0
25	10,000	1,213.15	1,241.75	28.60	2.4
50	5,000	1,132.47	1,146.77	14.30	1.3
50	10,000	1,420.90	1,449.50	28.60	2.0
50	15,000	1,709.32	1,752.22	42.90	2.5
50	20,000	1,997.75	2,054.95	57.20	2.9
100	10,000	1,836.40	1,865.00	28.60	1.6
100	20,000	2,413.25	2,470.45	57.20	2.4
100	30,000	2,990.10	3,075.90	85.80	2.9
100	40,000	3,566.95	3,681.35	114.40	3.2
150	15,000	2,540.32	2,583.22	42.90	1.7
150	30,000	3,405.60	3,491.40	85.80	2.5
150	45,000	4,270.87	4,399.57	128.70	3.0
150	60,000	5,136.15	5,307.75	171.60	3.3

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Primary Service - Summer

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
100	20,000	$3,845.00	$3,902.20	$57.20	1.5
100	30,000	5,113.55	5,199.35	85.80	1.7
100	40,000	6,382.10	6,496.50	114.40	1.8
100	50,000	7,650.65	7,793.65	143.00	1.9
150	30,000	5,717.55	5,803.35	85.80	1.5
150	45,000	7,620.38	7,749.08	128.70	1.7
150	60,000	9,523.20	9,694.80	171.60	1.8
150	75,000	11,426.03	11,640.53	214.50	1.9
200	40,000	7,590.10	7,704.50	114.40	1.5
200	60,000	10,127.20	10,298.80	171.60	1.7
200	80,000	12,664.30	12,893.10	228.80	1.8
200	100,000	15,201.40	15,487.40	286.00	1.9
500	100,000	18,825.40	19,111.40	286.00	1.5
500	150,000	25,168.15	25,597.15	429.00	1.7
500	200,000	31,510.90	32,082.90	572.00	1.8
500	250,000	37,853.65	38,568.65	715.00	1.9
750	150,000	28,188.15	28,617.15	429.00	1.5
750	225,000	37,702.28	38,345.78	643.50	1.7
750	300,000	47,216.40	48,074.40	858.00	1.8
750	375,000	56,730.53	57,803.03	1,072.50	1.9
1000	200,000	37,550.90	38,122.90	572.00	1.5
1000	300,000	50,236.40	51,094.40	858.00	1.7
1000	400,000	62,921.90	64,065.90	1,144.00	1.8
1000	500,000	75,607.40	77,037.40	1,430.00	1.9

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Primary Service - Winter

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
100	20,000	$3,656.95	$3,714.15	$57.20	1.6
100	30,000	4,926.60	5,012.40	85.80	1.7
100	40,000	6,196.25	6,310.65	114.40	1.8
100	50,000	7,465.90	7,608.90	143.00	1.9
150	30,000	5,434.60	5,520.40	85.80	1.6
150	45,000	7,339.08	7,467.78	128.70	1.8
150	60,000	9,243.55	9,415.15	171.60	1.9
150	75,000	11,148.03	11,362.53	214.50	1.9
200	40,000	7,212.25	7,326.65	114.40	1.6
200	60,000	9,751.55	9,923.15	171.60	1.8
200	80,000	12,290.85	12,519.65	228.80	1.9
200	100,000	14,830.15	15,116.15	286.00	1.9
500	100,000	17,878.15	18,164.15	286.00	1.6
500	150,000	24,226.40	24,655.40	429.00	1.8
500	200,000	30,574.65	31,146.65	572.00	1.9
500	250,000	36,922.90	37,637.90	715.00	1.9
750	150,000	26,766.40	27,195.40	429.00	1.6
750	225,000	36,288.78	36,932.28	643.50	1.8
750	300,000	45,811.15	46,669.15	858.00	1.9
750	375,000	55,333.53	56,406.03	1,072.50	1.9
1000	200,000	35,654.65	36,226.65	572.00	1.6
1000	300,000	48,351.15	49,209.15	858.00	1.8
1000	400,000	61,047.65	62,191.65	1,144.00	1.9
1000	500,000	73,744.15	75,174.15	1,430.00	1.9

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Annual Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$427,139	$437,435	10,296	2.4
1,000	300,000	50%	50%	429,542	439,838	10,296	2.4
1,000	400,000	35%	65%	493,178	506,906	13,728	2.8
1,000	400,000	50%	50%	496,382	510,110	13,728	2.8
2,000	600,000	35%	65%	850,679	871,271	20,592	2.4
2,000	600,000	50%	50%	855,485	876,077	20,592	2.4
2,000	800,000	35%	65%	982,757	1,010,213	27,456	2.8
2,000	800,000	50%	50%	989,165	1,016,621	27,456	2.8
3,000	900,000	35%	65%	1,274,218	1,305,106	30,888	2.4
3,000	900,000	50%	50%	1,281,427	1,312,315	30,888	2.4
3,000	1,200,000	35%	65%	1,472,335	1,513,519	41,184	2.8
3,000	1,200,000	50%	50%	1,481,947	1,523,131	41,184	2.8
4,000	1,200,000	35%	65%	1,697,758	1,738,942	41,184	2.4
4,000	1,200,000	50%	50%	1,707,370	1,748,554	41,184	2.4
4,000	1,600,000	35%	65%	1,961,913	2,016,825	54,912	2.8
4,000	1,600,000	50%	50%	1,974,729	2,029,641	54,912	2.8
5,000	1,500,000	35%	65%	2,121,297	2,172,777	51,480	2.4
5,000	1,500,000	50%	50%	2,133,312	2,184,792	51,480	2.4
5,000	2,000,000	35%	65%	2,451,492	2,520,132	68,640	2.8
5,000	2,000,000	50%	50%	2,467,512	2,536,152	68,640	2.8

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Summer Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$35,901.62	$36,759.62	$858.00	2.4
1,000	300,000	50%	50%	36,101.87	36,959.87	858.00	2.4
1,000	400,000	35%	65%	41,404.86	42,548.86	1,144.00	2.8
1,000	400,000	50%	50%	41,671.86	42,815.86	1,144.00	2.7
2,000	600,000	35%	65%	71,503.24	73,219.24	1,716.00	2.4
2,000	600,000	50%	50%	71,903.74	73,619.74	1,716.00	2.4
2,000	800,000	35%	65%	82,509.72	84,797.72	2,288.00	2.8
2,000	800,000	50%	50%	83,043.72	85,331.72	2,288.00	2.8
3,000	900,000	35%	65%	107,104.86	109,678.86	2,574.00	2.4
3,000	900,000	50%	50%	107,705.61	110,279.61	2,574.00	2.4
3,000	1,200,000	35%	65%	123,614.58	127,046.58	3,432.00	2.8
3,000	1,200,000	50%	50%	124,415.58	127,847.58	3,432.00	2.8
4,000	1,200,000	35%	65%	142,706.48	146,138.48	3,432.00	2.4
4,000	1,200,000	50%	50%	143,507.48	146,939.48	3,432.00	2.4
4,000	1,600,000	35%	65%	164,719.44	169,295.44	4,576.00	2.8
4,000	1,600,000	50%	50%	165,787.44	170,363.44	4,576.00	2.8
5,000	1,500,000	35%	65%	178,308.10	182,598.10	4,290.00	2.4
5,000	1,500,000	50%	50%	179,309.35	183,599.35	4,290.00	2.4
5,000	2,000,000	35%	65%	205,824.30	211,544.30	5,720.00	2.8
5,000	2,000,000	50%	50%	207,159.30	212,879.30	5,720.00	2.8

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Winter Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$35,441.62	$36,299.62	$858.00	2.4
1,000	300,000	50%	50%	35,641.87	36,499.87	858.00	2.4
1,000	400,000	35%	65%	40,944.86	42,088.86	1,144.00	2.8
1,000	400,000	50%	50%	41,211.86	42,355.86	1,144.00	2.8
2,000	600,000	35%	65%	70,583.24	72,299.24	1,716.00	2.4
2,000	600,000	50%	50%	70,983.74	72,699.74	1,716.00	2.4
2,000	800,000	35%	65%	81,589.72	83,877.72	2,288.00	2.8
2,000	800,000	50%	50%	82,123.72	84,411.72	2,288.00	2.8
3,000	900,000	35%	65%	105,724.86	108,298.86	2,574.00	2.4
3,000	900,000	50%	50%	106,325.61	108,899.61	2,574.00	2.4
3,000	1,200,000	35%	65%	122,234.58	125,666.58	3,432.00	2.8
3,000	1,200,000	50%	50%	123,035.58	126,467.58	3,432.00	2.8
4,000	1,200,000	35%	65%	140,866.48	144,298.48	3,432.00	2.4
4,000	1,200,000	50%	50%	141,667.48	145,099.48	3,432.00	2.4
4,000	1,600,000	35%	65%	162,879.44	167,455.44	4,576.00	2.8
4,000	1,600,000	50%	50%	163,947.44	168,523.44	4,576.00	2.8
5,000	1,500,000	35%	65%	176,008.10	180,298.10	4,290.00	2.4
5,000	1,500,000	50%	50%	177,009.35	181,299.35	4,290.00	2.4
5,000	2,000,000	35%	65%	203,524.30	209,244.30	5,720.00	2.8
5,000	2,000,000	50%	50%	204,859.30	210,579.30	5,720.00	2.8

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Annual Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$347,033	$357,329	10,296	3.0
1,000	300,000	50%	50%	347,314	357,610	10,296	3.0
1,000	400,000	35%	65%	397,333	411,061	13,728	3.5
1,000	400,000	50%	50%	397,708	411,436	13,728	3.5
2,000	600,000	35%	65%	666,609	687,201	20,592	3.1
2,000	600,000	50%	50%	667,170	687,762	20,592	3.1
2,000	800,000	35%	65%	767,209	794,665	27,456	3.6
2,000	800,000	50%	50%	767,958	795,414	27,456	3.6
3,000	900,000	35%	65%	986,184	1,017,072	30,888	3.1
3,000	900,000	50%	50%	987,027	1,017,915	30,888	3.1
3,000	1,200,000	35%	65%	1,137,085	1,178,269	41,184	3.6
3,000	1,200,000	50%	50%	1,138,208	1,179,392	41,184	3.6
4,000	1,200,000	35%	65%	1,305,760	1,346,944	41,184	3.2
4,000	1,200,000	50%	50%	1,306,883	1,348,067	41,184	3.2
4,000	1,600,000	35%	65%	1,506,961	1,561,873	54,912	3.6
4,000	1,600,000	50%	50%	1,508,459	1,563,371	54,912	3.6
5,000	1,500,000	35%	65%	1,625,336	1,676,816	51,480	3.2
5,000	1,500,000	50%	50%	1,626,740	1,678,220	51,480	3.2
5,000	2,000,000	35%	65%	1,876,837	1,945,477	68,640	3.7
5,000	2,000,000	50%	50%	1,878,709	1,947,349	68,640	3.7

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Summer Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$29,006.09	$29,864.09	$858.00	3.0
1,000	300,000	50%	50%	29,029.49	29,887.49	858.00	3.0
1,000	400,000	35%	65%	33,197.78	34,341.78	1,144.00	3.4
1,000	400,000	50%	50%	33,228.98	34,372.98	1,144.00	3.4
2,000	600,000	35%	65%	55,724.06	57,440.06	1,716.00	3.1
2,000	600,000	50%	50%	55,770.86	57,486.86	1,716.00	3.1
2,000	800,000	35%	65%	64,107.44	66,395.44	2,288.00	3.6
2,000	800,000	50%	50%	64,169.84	66,457.84	2,288.00	3.6
3,000	900,000	35%	65%	82,442.03	85,016.03	2,574.00	3.1
3,000	900,000	50%	50%	82,512.23	85,086.23	2,574.00	3.1
3,000	1,200,000	35%	65%	95,017.10	98,449.10	3,432.00	3.6
3,000	1,200,000	50%	50%	95,110.70	98,542.70	3,432.00	3.6
4,000	1,200,000	35%	65%	109,160.00	112,592.00	3,432.00	3.1
4,000	1,200,000	50%	50%	109,253.60	112,685.60	3,432.00	3.1
4,000	1,600,000	35%	65%	125,926.76	130,502.76	4,576.00	3.6
4,000	1,600,000	50%	50%	126,051.56	130,627.56	4,576.00	3.6
5,000	1,500,000	35%	65%	135,877.97	140,167.97	4,290.00	3.2
5,000	1,500,000	50%	50%	135,994.97	140,284.97	4,290.00	3.2
5,000	2,000,000	35%	65%	156,836.42	162,556.42	5,720.00	3.6
5,000	2,000,000	50%	50%	156,992.42	162,712.42	5,720.00	3.6

*All Rates Include Sales and Use Tax

Program Year 5

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Winter Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$28,876.09	$29,734.09	$858.00	3.0
1,000	300,000	50%	50%	28,899.49	29,757.49	858.00	3.0
1,000	400,000	35%	65%	33,067.78	34,211.78	1,144.00	3.5
1,000	400,000	50%	50%	33,098.98	34,242.98	1,144.00	3.5
2,000	600,000	35%	65%	55,464.06	57,180.06	1,716.00	3.1
2,000	600,000	50%	50%	55,510.86	57,226.86	1,716.00	3.1
2,000	800,000	35%	65%	63,847.44	66,135.44	2,288.00	3.6
2,000	800,000	50%	50%	63,909.84	66,197.84	2,288.00	3.6
3,000	900,000	35%	65%	82,052.03	84,626.03	2,574.00	3.1
3,000	900,000	50%	50%	82,122.23	84,696.23	2,574.00	3.1
3,000	1,200,000	35%	65%	94,627.10	98,059.10	3,432.00	3.6
3,000	1,200,000	50%	50%	94,720.70	98,152.70	3,432.00	3.6
4,000	1,200,000	35%	65%	108,640.00	112,072.00	3,432.00	3.2
4,000	1,200,000	50%	50%	108,733.60	112,165.60	3,432.00	3.2
4,000	1,600,000	35%	65%	125,406.76	129,982.76	4,576.00	3.6
4,000	1,600,000	50%	50%	125,531.56	130,107.56	4,576.00	3.6
5,000	1,500,000	35%	65%	135,227.97	139,517.97	4,290.00	3.2
5,000	1,500,000	50%	50%	135,344.97	139,634.97	4,290.00	3.2
5,000	2,000,000	35%	65%	156,186.42	161,906.42	5,720.00	3.7
5,000	2,000,000	50%	50%	156,342.42	162,062.42	5,720.00	3.7

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC1 Residential

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$5.75	$5.75	$0.00	0.0
	50	13.97	14.06	0.09	0.6
	100	22.19	22.37	0.18	0.8
	200	38.64	39.00	0.36	0.9
	250	46.86	47.31	0.45	1.0
	300	55.08	55.62	0.54	1.0
	400	71.52	72.24	0.72	1.0
	500	87.96	88.86	0.90	1.0
	750	140.69	142.04	1.35	1.0
	1,000	201.17	202.97	1.80	0.9
	1,500	322.12	324.82	2.70	0.8
	2,000	443.07	446.67	3.60	0.8
Winter					
	0	$5.75	$5.75	$0.00	0.0
	50	15.78	15.87	0.09	0.6
	100	25.80	25.98	0.18	0.7
	200	45.86	46.22	0.36	0.8
	250	55.88	56.33	0.45	0.8
	300	65.91	66.45	0.54	0.8
	400	85.96	86.68	0.72	0.8
	500	106.01	106.91	0.90	0.8
	750	156.14	157.49	1.35	0.9
	1,000	206.28	208.08	1.80	0.9
	1,500	306.54	309.24	2.70	0.9
	2,000	406.80	410.40	3.60	0.9

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Service - Unmetered

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$14.00	$14.00	$0.00	0.0
	100	$30.41	$30.59	0.18	0.6
	200	$46.81	$47.17	0.36	0.8
	300	$63.22	$63.76	0.54	0.9
	400	$79.62	$80.34	0.72	0.9
	500	$96.03	$96.93	0.90	0.9
	750	$137.04	$138.39	1.35	1.0
	1,000	$178.06	$179.86	1.80	1.0
	1,250	$219.07	$221.32	2.25	1.0
	1,500	$260.08	$262.78	2.70	1.0
	1,750	$301.10	$304.25	3.15	1.0
	2,000	$342.11	$345.71	3.60	1.1
Winter					
	0	$14.00	$14.00	$0.00	0.0
	50	$22.15	$22.24	0.09	0.4
	100	$30.30	$30.48	0.18	0.6
	200	$46.61	$46.97	0.36	0.8
	250	$54.76	$55.21	0.45	0.8
	300	$62.91	$63.45	0.54	0.9
	400	$79.21	$79.93	0.72	0.9
	500	$95.51	$96.41	0.90	0.9
	750	$136.27	$137.62	1.35	1.0
	1,000	$177.03	$178.83	1.80	1.0
	1,500	$258.54	$261.24	2.70	1.0
	2,000	$340.05	$343.65	3.60	1.1

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Service - Non-Demand Metered

	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
Summer					
	0	$16.00	$16.00	$0.00	0.0
	100	$32.41	$32.59	0.18	0.6
	200	$48.81	$49.17	0.36	0.7
	300	$65.22	$65.76	0.54	0.8
	400	$81.62	$82.34	0.72	0.9
	500	$98.03	$98.93	0.90	0.9
	750	$139.04	$140.39	1.35	1.0
	1,000	$180.06	$181.86	1.80	1.0
	1,250	$221.07	$223.32	2.25	1.0
	1,500	$262.08	$264.78	2.70	1.0
	1,750	$303.10	$306.25	3.15	1.0
	2,000	$344.11	$347.71	3.60	1.0
Winter					
	0	$16.00	$16.00	$0.00	0.0
	50	$24.15	$24.24	0.09	0.4
	100	$32.30	$32.48	0.18	0.6
	200	$48.61	$48.97	0.36	0.7
	250	$56.76	$57.21	0.45	0.8
	300	$64.91	$65.45	0.54	0.8
	400	$81.21	$81.93	0.72	0.9
	500	$97.51	$98.41	0.90	0.9
	750	$138.27	$139.62	1.35	1.0
	1,000	$179.03	$180.83	1.80	1.0
	1,500	$260.54	$263.24	2.70	1.0
	2,000	$342.05	$345.65	3.60	1.1

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Secondary Service - Summer

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
7	700	$185.49	$186.75	$1.26	0.7
7	1,400	$287.57	$290.09	2.52	0.9
7	2,100	$389.64	$393.42	3.78	1.0
7	2,800	$491.72	$496.76	5.04	1.0
10	1,000	$259.48	$261.28	1.80	0.7
10	2,000	$405.30	$408.90	3.60	0.9
10	3,000	$551.13	$556.53	5.40	1.0
10	4,000	$696.95	$704.15	7.20	1.0
25	2,500	$629.41	$633.91	4.50	0.7
25	5,000	$987.21	$996.21	9.00	0.9
25	7,500	$1,140.24	$1,153.74	13.50	1.2
25	10,000	$1,293.28	$1,311.28	18.00	1.4
50	5,000	$1,239.21	$1,248.21	9.00	0.7
50	10,000	$1,545.28	$1,563.28	18.00	1.2
50	15,000	$1,851.36	$1,878.36	27.00	1.5
50	20,000	$2,157.43	$2,193.43	36.00	1.7
100	10,000	$2,049.28	$2,067.28	18.00	0.9
100	20,000	$2,661.43	$2,697.43	36.00	1.4
100	30,000	$3,273.58	$3,327.58	54.00	1.6
100	40,000	$3,885.73	$3,957.73	72.00	1.9
150	15,000	$2,859.36	$2,886.36	27.00	0.9
150	30,000	$3,777.58	$3,831.58	54.00	1.4
150	45,000	$4,695.81	$4,776.81	81.00	1.7
150	60,000	$5,614.03	$5,722.03	108.00	1.9

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Secondary Service - Winter

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
7	700	$175.46	$176.72	$1.26	0.7
7	1,400	276.50	279.02	2.52	0.9
7	2,100	377.54	381.32	3.78	1.0
7	2,800	478.59	483.63	5.04	1.1
10	1,000	243.70	245.50	1.80	0.7
10	2,000	388.04	391.64	3.60	0.9
10	3,000	532.39	537.79	5.40	1.0
10	4,000	676.73	683.93	7.20	1.1
25	2,500	584.86	589.36	4.50	0.8
25	5,000	939.02	948.02	9.00	1.0
25	7,500	1,090.38	1,103.88	13.50	1.2
25	10,000	1,241.75	1,259.75	18.00	1.4
50	5,000	1,146.77	1,155.77	9.00	0.8
50	10,000	1,449.50	1,467.50	18.00	1.2
50	15,000	1,752.22	1,779.22	27.00	1.5
50	20,000	2,054.95	2,090.95	36.00	1.8
100	10,000	1,865.00	1,883.00	18.00	1.0
100	20,000	2,470.45	2,506.45	36.00	1.5
100	30,000	3,075.90	3,129.90	54.00	1.8
100	40,000	3,681.35	3,753.35	72.00	2.0
150	15,000	2,583.22	2,610.22	27.00	1.0
150	30,000	3,491.40	3,545.40	54.00	1.5
150	45,000	4,399.57	4,480.57	81.00	1.8
150	60,000	5,307.75	5,415.75	108.00	2.0

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Primary Service - Summer

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
100	20,000	$3,902.20	$3,938.20	$36.00	0.9
100	30,000	5,199.35	5,253.35	54.00	1.0
100	40,000	6,496.50	6,568.50	72.00	1.1
100	50,000	7,793.65	7,883.65	90.00	1.2
150	30,000	5,803.35	5,857.35	54.00	0.9
150	45,000	7,749.08	7,830.08	81.00	1.0
150	60,000	9,694.80	9,802.80	108.00	1.1
150	75,000	11,640.53	11,775.53	135.00	1.2
200	40,000	7,704.50	7,776.50	72.00	0.9
200	60,000	10,298.80	10,406.80	108.00	1.0
200	80,000	12,893.10	13,037.10	144.00	1.1
200	100,000	15,487.40	15,667.40	180.00	1.2
500	100,000	19,111.40	19,291.40	180.00	0.9
500	150,000	25,597.15	25,867.15	270.00	1.1
500	200,000	32,082.90	32,442.90	360.00	1.1
500	250,000	38,568.65	39,018.65	450.00	1.2
750	150,000	28,617.15	28,887.15	270.00	0.9
750	225,000	38,345.78	38,750.78	405.00	1.1
750	300,000	48,074.40	48,614.40	540.00	1.1
750	375,000	57,803.03	58,478.03	675.00	1.2
1000	200,000	38,122.90	38,482.90	360.00	0.9
1000	300,000	51,094.40	51,634.40	540.00	1.1
1000	400,000	64,065.90	64,785.90	720.00	1.1
1000	500,000	77,037.40	77,937.40	900.00	1.2

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons

SC2 General Primary Service - Winter

Demand (kW)	Monthly Usage (kWh)	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Change Percent
100	20,000	$3,714.15	$3,750.15	$36.00	1.0
100	30,000	5,012.40	5,066.40	54.00	1.1
100	40,000	6,310.65	6,382.65	72.00	1.1
100	50,000	7,608.90	7,698.90	90.00	1.2
150	30,000	5,520.40	5,574.40	54.00	1.0
150	45,000	7,467.78	7,548.78	81.00	1.1
150	60,000	9,415.15	9,523.15	108.00	1.1
150	75,000	11,362.53	11,497.53	135.00	1.2
200	40,000	7,326.65	7,398.65	72.00	1.0
200	60,000	9,923.15	10,031.15	108.00	1.1
200	80,000	12,519.65	12,663.65	144.00	1.2
200	100,000	15,116.15	15,296.15	180.00	1.2
500	100,000	18,164.15	18,344.15	180.00	1.0
500	150,000	24,655.40	24,925.40	270.00	1.1
500	200,000	31,146.65	31,506.65	360.00	1.2
500	250,000	37,637.90	38,087.90	450.00	1.2
750	150,000	27,195.40	27,465.40	270.00	1.0
750	225,000	36,932.28	37,337.28	405.00	1.1
750	300,000	46,669.15	47,209.15	540.00	1.2
750	375,000	56,406.03	57,081.03	675.00	1.2
1000	200,000	36,226.65	36,586.65	360.00	1.0
1000	300,000	49,209.15	49,749.15	540.00	1.1
1000	400,000	62,191.65	62,911.65	720.00	1.2
1000	500,000	75,174.15	76,074.15	900.00	1.2

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Annual Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$437,435	$443,915	6,480	1.5
1,000	300,000	50%	50%	439,838	446,318	6,480	1.5
1,000	400,000	35%	65%	506,906	515,546	8,640	1.7
1,000	400,000	50%	50%	510,110	518,750	8,640	1.7
2,000	600,000	35%	65%	871,271	884,231	12,960	1.5
2,000	600,000	50%	50%	876,077	889,037	12,960	1.5
2,000	800,000	35%	65%	1,010,213	1,027,493	17,280	1.7
2,000	800,000	50%	50%	1,016,621	1,033,901	17,280	1.7
3,000	900,000	35%	65%	1,305,106	1,324,546	19,440	1.5
3,000	900,000	50%	50%	1,312,315	1,331,755	19,440	1.5
3,000	1,200,000	35%	65%	1,513,519	1,539,439	25,920	1.7
3,000	1,200,000	50%	50%	1,523,131	1,549,051	25,920	1.7
4,000	1,200,000	35%	65%	1,738,942	1,764,862	25,920	1.5
4,000	1,200,000	50%	50%	1,748,554	1,774,474	25,920	1.5
4,000	1,600,000	35%	65%	2,016,825	2,051,385	34,560	1.7
4,000	1,600,000	50%	50%	2,029,641	2,064,201	34,560	1.7
5,000	1,500,000	35%	65%	2,172,777	2,205,177	32,400	1.5
5,000	1,500,000	50%	50%	2,184,792	2,217,192	32,400	1.5
5,000	2,000,000	35%	65%	2,520,132	2,563,332	43,200	1.7
5,000	2,000,000	50%	50%	2,536,152	2,579,352	43,200	1.7

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Summer Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$36,759.62	$37,299.62	$540.00	1.5
1,000	300,000	50%	50%	36,959.87	37,499.87	540.00	1.5
1,000	400,000	35%	65%	42,548.86	43,268.86	720.00	1.7
1,000	400,000	50%	50%	42,815.86	43,535.86	720.00	1.7
2,000	600,000	35%	65%	73,219.24	74,299.24	1,080.00	1.5
2,000	600,000	50%	50%	73,619.74	74,699.74	1,080.00	1.5
2,000	800,000	35%	65%	84,797.72	86,237.72	1,440.00	1.7
2,000	800,000	50%	50%	85,331.72	86,771.72	1,440.00	1.7
3,000	900,000	35%	65%	109,678.86	111,298.86	1,620.00	1.5
3,000	900,000	50%	50%	110,279.61	111,899.61	1,620.00	1.5
3,000	1,200,000	35%	65%	127,046.58	129,206.58	2,160.00	1.7
3,000	1,200,000	50%	50%	127,847.58	130,007.58	2,160.00	1.7
4,000	1,200,000	35%	65%	146,138.48	148,298.48	2,160.00	1.5
4,000	1,200,000	50%	50%	146,939.48	149,099.48	2,160.00	1.5
4,000	1,600,000	35%	65%	169,295.44	172,175.44	2,880.00	1.7
4,000	1,600,000	50%	50%	170,363.44	173,243.44	2,880.00	1.7
5,000	1,500,000	35%	65%	182,598.10	185,298.10	2,700.00	1.5
5,000	1,500,000	50%	50%	183,599.35	186,299.35	2,700.00	1.5
5,000	2,000,000	35%	65%	211,544.30	215,144.30	3,600.00	1.7
5,000	2,000,000	50%	50%	212,879.30	216,479.30	3,600.00	1.7

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7

Winter Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$36,299.62	$36,839.62	$540.00	1.5
1,000	300,000	50%	50%	36,499.87	37,039.87	540.00	1.5
1,000	400,000	35%	65%	42,088.86	42,808.86	720.00	1.7
1,000	400,000	50%	50%	42,355.86	43,075.86	720.00	1.7
2,000	600,000	35%	65%	72,299.24	73,379.24	1,080.00	1.5
2,000	600,000	50%	50%	72,699.74	73,779.74	1,080.00	1.5
2,000	800,000	35%	65%	83,877.72	85,317.72	1,440.00	1.7
2,000	800,000	50%	50%	84,411.72	85,851.72	1,440.00	1.7
3,000	900,000	35%	65%	108,298.86	109,918.86	1,620.00	1.5
3,000	900,000	50%	50%	108,899.61	110,519.61	1,620.00	1.5
3,000	1,200,000	35%	65%	125,666.58	127,826.58	2,160.00	1.7
3,000	1,200,000	50%	50%	126,467.58	128,627.58	2,160.00	1.7
4,000	1,200,000	35%	65%	144,298.48	146,458.48	2,160.00	1.5
4,000	1,200,000	50%	50%	145,099.48	147,259.48	2,160.00	1.5
4,000	1,600,000	35%	65%	167,455.44	170,335.44	2,880.00	1.7
4,000	1,600,000	50%	50%	168,523.44	171,403.44	2,880.00	1.7
5,000	1,500,000	35%	65%	180,298.10	182,998.10	2,700.00	1.5
5,000	1,500,000	50%	50%	181,299.35	183,999.35	2,700.00	1.5
5,000	2,000,000	35%	65%	209,244.30	212,844.30	3,600.00	1.7
5,000	2,000,000	50%	50%	210,579.30	214,179.30	3,600.00	1.7

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Annual Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$357,329	$363,809	6,480	1.8
1,000	300,000	50%	50%	357,610	364,090	6,480	1.8
1,000	400,000	35%	65%	411,061	419,701	8,640	2.1
1,000	400,000	50%	50%	411,436	420,076	8,640	2.1
2,000	600,000	35%	65%	687,201	700,161	12,960	1.9
2,000	600,000	50%	50%	687,762	700,722	12,960	1.9
2,000	800,000	35%	65%	794,665	811,945	17,280	2.2
2,000	800,000	50%	50%	795,414	812,694	17,280	2.2
3,000	900,000	35%	65%	1,017,072	1,036,512	19,440	1.9
3,000	900,000	50%	50%	1,017,915	1,037,355	19,440	1.9
3,000	1,200,000	35%	65%	1,178,269	1,204,189	25,920	2.2
3,000	1,200,000	50%	50%	1,179,392	1,205,312	25,920	2.2
4,000	1,200,000	35%	65%	1,346,944	1,372,864	25,920	1.9
4,000	1,200,000	50%	50%	1,348,067	1,373,987	25,920	1.9
4,000	1,600,000	35%	65%	1,561,873	1,596,433	34,560	2.2
4,000	1,600,000	50%	50%	1,563,371	1,597,931	34,560	2.2
5,000	1,500,000	35%	65%	1,676,816	1,709,216	32,400	1.9
5,000	1,500,000	50%	50%	1,678,220	1,710,620	32,400	1.9
5,000	2,000,000	35%	65%	1,945,477	1,988,677	43,200	2.2
5,000	2,000,000	50%	50%	1,947,349	1,990,549	43,200	2.2

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Summer Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$29,864.09	$30,404.09	$540.00	1.8
1,000	300,000	50%	50%	29,887.49	30,427.49	540.00	1.8
1,000	400,000	35%	65%	34,341.78	35,061.78	720.00	2.1
1,000	400,000	50%	50%	34,372.98	35,092.98	720.00	2.1
2,000	600,000	35%	65%	57,440.06	58,520.06	1,080.00	1.9
2,000	600,000	50%	50%	57,486.86	58,566.86	1,080.00	1.9
2,000	800,000	35%	65%	66,395.44	67,835.44	1,440.00	2.2
2,000	800,000	50%	50%	66,457.84	67,897.84	1,440.00	2.2
3,000	900,000	35%	65%	85,016.03	86,636.03	1,620.00	1.9
3,000	900,000	50%	50%	85,086.23	86,706.23	1,620.00	1.9
3,000	1,200,000	35%	65%	98,449.10	100,609.10	2,160.00	2.2
3,000	1,200,000	50%	50%	98,542.70	100,702.70	2,160.00	2.2
4,000	1,200,000	35%	65%	112,592.00	114,752.00	2,160.00	1.9
4,000	1,200,000	50%	50%	112,685.60	114,845.60	2,160.00	1.9
4,000	1,600,000	35%	65%	130,502.76	133,382.76	2,880.00	2.2
4,000	1,600,000	50%	50%	130,627.56	133,507.56	2,880.00	2.2
5,000	1,500,000	35%	65%	140,167.97	142,867.97	2,700.00	1.9
5,000	1,500,000	50%	50%	140,284.97	142,984.97	2,700.00	1.9
5,000	2,000,000	35%	65%	162,556.42	166,156.42	3,600.00	2.2
5,000	2,000,000	50%	50%	162,712.42	166,312.42	3,600.00	2.2

*All Rates Include Sales and Use Tax

Program Year 6

ROCKLAND ELECTRIC COMPANY

Monthly Billing Comparisons
Service Classification No. 7 - High Voltage Distribution

Winter Bill

Demand (kW)	Monthly Usage (kWh)	Percent Energy Split Peak	Off-Peak	Bill at Present Rates	Bill at Proposed Rates	Change Amount	Percent
1,000	300,000	35%	65%	$29,734.09	$30,274.09	$540.00	1.8
1,000	300,000	50%	50%	29,757.49	30,297.49	540.00	1.8
1,000	400,000	35%	65%	34,211.78	34,931.78	720.00	2.1
1,000	400,000	50%	50%	34,242.98	34,962.98	720.00	2.1
2,000	600,000	35%	65%	57,180.06	58,260.06	1,080.00	1.9
2,000	600,000	50%	50%	57,226.86	58,306.86	1,080.00	1.9
2,000	800,000	35%	65%	66,135.44	67,575.44	1,440.00	2.2
2,000	800,000	50%	50%	66,197.84	67,637.84	1,440.00	2.2
3,000	900,000	35%	65%	84,626.03	86,246.03	1,620.00	1.9
3,000	900,000	50%	50%	84,696.23	86,316.23	1,620.00	1.9
3,000	1,200,000	35%	65%	98,059.10	100,219.10	2,160.00	2.2
3,000	1,200,000	50%	50%	98,152.70	100,312.70	2,160.00	2.2
4,000	1,200,000	35%	65%	112,072.00	114,232.00	2,160.00	1.9
4,000	1,200,000	50%	50%	112,165.60	114,325.60	2,160.00	1.9
4,000	1,600,000	35%	65%	129,982.76	132,862.76	2,880.00	2.2
4,000	1,600,000	50%	50%	130,107.56	132,987.56	2,880.00	2.2
5,000	1,500,000	35%	65%	139,517.97	142,217.97	2,700.00	1.9
5,000	1,500,000	50%	50%	139,634.97	142,334.97	2,700.00	1.9
5,000	2,000,000	35%	65%	161,906.42	165,506.42	3,600.00	2.2
5,000	2,000,000	50%	50%	162,062.42	165,662.42	3,600.00	2.2

*All Rates Include Sales and Use Tax

Exhibits AP-1 to AP-7

Rockland Electric Company

ACCOUNTING PANEL EXHIBIT AP

Title of Schedules

1. Exhibit AP-1: Summary
2. Exhibit AP-2: Program Budgets
3. Exhibit AP-3: Rate of Return Calculation
4. Exhibit AP-4: Revenue Requirement Calculation
5. Exhibit AP-5: Comparative Balance Sheets and Income Statements for 2020-2022
6. Exhibit AP-6: Journal Entries and Pro-Forma Balance Sheets and Income Statements for 2025-2027
7. Exhibit AP-7: Consolidated Tax Adjustment Calculation

Rockland Electric Company
Revenue Requirement Calculation - Triennium 2
Exhibit AP-1
Witness: Accounting Panel

(amounts in 000s)

	6 Months Jun2025	12 Months Jun2026	12 Months Jun2027	12 Months Jun2028	12 Months Jun2029	12 Months Jun2030	Revenue Requirement 2031 thru 2037	Total Revenue Requirement
Revenue Requirement								
Average Rate Base (Reg. Assets)	$ 2,902	$ 11,912	$ 23,650	$ 27,614	$ 24,280	$ 20,946		
ROR	8.90%	8.90%	8.90%	8.90%	8.90%	8.90%		
Earnings Base	129	1,060	2,104	2,457	2,160	1,864		
O&M	1,750	3,500	3,300	-	-	-		
Amortization - 10 yrs	207	1,766	3,671	4,637	4,637	4,637		
Revenue Requirement	$ 2,086	$ 6,326	$ 9,075	$ 7,094	$ 6,798	$ 6,501	$ 31,878	$ 69,758
Revenue Requirement Breakdown by Program								
C&I - Direct Install	$ 344	$ 1,157	$ 1,744	$ 1,497	$ 1,434	$ 1,371	$ 6,703	$ 14,249
C&I - Prescriptive/Custom	421	1,324	2,103	1,728	1,656	1,584	7,865	16,681
C&I - Energy Solutions for Business	30	106	160	140	134	128	620	1,318
Multifamily	59	158	185	125	120	114	561	1,322
Residential - Efficient Products	412	1,140	1,598	1,156	1,108	1,059	5,192	11,665
Residential - Whole Home	253	693	877	584	560	535	2,610	6,111
Residential - Income Qualified	285	867	1,114	885	848	811	3,936	8,747
Residential - Behavioral	43	106	130	61	59	56	273	728
Start Up - Building Decarbonization	165	500	751	581	557	533	2,638	5,725
Start Up - Peak Demand Reduction	62	164	215	126	120	115	561	1,364
Start Up - Next Gen Savings	12	112	196	212	203	194	918	1,848
Total Revenue Requirement	$ 2,086	$ 6,326	$ 9,075	$ 7,094	$ 6,798	$ 6,501	$ 31,878	$ 69,758

Rockland Electric Company
Triennium 2 Programs
Exhibit AP-2
Witness: Accounting Panel

C&I - Direct Install			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
AEG Vision Service Fees	$71,429	$14,286	$14,286
CBO Outreach	$25,000	$50,000	$25,000
EM&V	$90,000	$180,000	$180,000
Inspections & QC	$12,500	$31,250	$31,250
Internal Administration	$120,000	$240,000	$240,000
IT Development	$30,000	$15,000	$5,000
Marketing	$20,000	$40,000	$40,000
Statewide Coordinator	$10,000	$5,000	$5,000
Program Investment Costs:			
Financing	$100,000	$200,000	$200,000
Implementation	$150,000	$300,000	$300,000
Incentives	$1,511,860	$3,416,338	$3,443,476
Total	**$2,140,788**	**$4,491,873**	**$4,484,012**

C&I - Prescriptive/Custom			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
AEG Planning Support	$25,000	$25,000	$25,000
AEG Vision Service Fees	$71,429	$14,286	$14,286
EM&V	$140,000	$280,000	$280,000
Inspections & QC	$25,000	$62,500	$62,500
Internal Administration	$140,000	$280,000	$280,000
JU Coordination Consultants	$9,500	$19,000	$19,000
Marketing	$40,000	$80,000	$80,000
Program Investment Costs:			
Financing	$90,000	$180,000	$180,000
Implementation	$60,000	$120,000	$120,000
Incentives	$1,032,801	$4,584,853	$4,740,757
Total	**$1,633,729**	**$5,645,639**	**$5,801,543**

C&I - Energy Solutions for Business			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
EM&V	$10,000	$20,000	$20,000
Inspections & QC	$1,667	$4,167	$4,167
Internal Administration	$10,000	$20,000	$20,000
IT Development	$30,000	$15,000	$5,000
Program Investment Costs:			
Implementation	$170,000	$340,000	$340,000
Incentives	$5,000	$5,000	$5,000
Total	**$226,667**	**$404,167**	**$394,167**

Multifamily			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
CBO Outreach	$25,000	$50,000	$25,000
EM&V	$10,000	$20,000	$20,000
Inspections & QC	$4,167	$10,417	$10,417
Internal Administration	$10,000	$20,000	$20,000
Marketing	$4,000	$8,000	$8,000
Program Investment Costs:			
Financing	$20,000	$40,000	$40,000
Implementation	$60,000	$120,000	$120,000
Incentives	$54,374	$170,420	$171,248
Workforce Development	$5,000	$10,000	$5,000
Total	**$192,541**	**$448,836**	**$419,665**

Residential - Efficient Products			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
AEG Planning Support	$25,000	$25,000	$25,000
AEG Vision Service Fees	$71,429	$14,286	$14,286
EM&V	$60,000	$120,000	$120,000
Inspections & QC	$10,833	$27,083	$27,083
Internal Administration	$140,000	$280,000	$280,000
JU Coordination Consultants	$8,000	$16,000	$16,000
Marketing	$110,000	$220,000	$220,000
Statewide Coordinator	$10,000	$5,000	$5,000
Program Investment Costs:			
Financing	$150,000	$300,000	$300,000
Implementation	$200,000	$400,000	$400,000
Incentives	$1,183,915	$1,872,998	$2,590,089
Total	**$1,969,177**	**$3,280,367**	**$3,997,458**

Residential - Whole Home			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
AEG Vision Service Fees	$35,714	$7,143	$7,143
CBO Outreach	$50,000	$100,000	$50,000
EM&V	$20,000	$40,000	$40,000
Inspections & QC	$10,833	$27,083	$27,083
Internal Administration	$80,000	$160,000	$160,000
Marketing	$60,000	$120,000	$120,000
Statewide Coordinator	$5,000	$2,500	$2,500
Program Investment Costs:			
Financing	$140,000	$280,000	$280,000
Health & Safety	$100,000	$200,000	$200,000
Implementation	$80,000	$160,000	$160,000
Incentives	$427,026	$846,676	$889,303
Total	**$1,008,574**	**$1,943,402**	**$1,936,029**

Residential - Income Qualified			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
CBO Outreach	$100,000	$200,000	$100,000
EM&V	$10,000	$20,000	$20,000
Inspections & QC	$22,500	$56,250	$56,250
Internal Administration	$60,000	$120,000	$120,000
IT Development	$180,000	$90,000	$30,000
Marketing	$40,000	$80,000	$80,000
Statewide Coordinator	$5,000	$2,500	$2,500
Program Investment Costs:			
Health & Safety	$487,500	$975,000	$975,000
Implementation	$50,000	$100,000	$100,000
Incentives	$537,906	$1,074,670	$1,074,710
Workforce Development	$30,000	$60,000	$30,000
Total	**$1,522,906**	**$2,778,420**	**$2,588,460**

Residential - Behavioral			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
EM&V	$20,000	$40,000	$40,000
Internal Administration	$20,000	$40,000	$40,000
Program Investment Costs:			
Implementation	$80,000	$160,000	$160,000
Total	**$120,000**	**$240,000**	**$240,000**

Start Up - Building Decarbonization			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
EM&V	$30,000	$60,000	$60,000
Inspections & QC	$12,500	$31,250	$31,250
Internal Administration	$80,000	$160,000	$160,000
Marketing	$20,000	$40,000	$40,000
Program Investment Costs:			
Financing	$100,000	$200,000	$200,000
Implementation	$50,000	$100,000	$100,000
Incentives	$382,500	$1,138,400	$1,417,200
Workforce Development	$25,000	$50,000	$25,000
Total	**$700,000**	**$1,779,650**	**$2,033,450**

Start Up - Peak Demand Reduction			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
EM&V	$10,000	$20,000	$20,000
Internal Administration	$40,000	$80,000	$80,000
IT Development	$60,000	$30,000	$10,000
Marketing	$6,000	$12,000	$12,000
Program Investment Costs:			
Implementation	$100,000	$200,000	$200,000
Incentives	$0	$103,433	$118,167
Total	**$216,000**	**$445,433**	**$440,167**

Start Up - Next Gen Savings			
Cost Category	**PY1**	**PY2**	**PY3**
Program Investment Costs:			
Next Gen Savings	$300,000	$800,000	$300,000
Total	**$300,000**	**$800,000**	**$300,000**

Total Program Costs			
Cost Category	**PY1**	**PY2**	**PY3**
Program Expense Costs:			
AEG Planning Support	$50,000	$50,000	$50,000
AEG Vision Service Fees	$250,000	$50,000	$50,000
CBO Outreach	$200,000	$400,000	$200,000
EM&V	$400,000	$800,000	$800,000
Inspections & QC	$100,000	$250,000	$250,000
Internal Administration	$700,000	$1,400,000	$1,400,000
IT Development	$300,000	$150,000	$50,000
JU Coordination Consultants	$17,500	$35,000	$35,000
Marketing	$300,000	$600,000	$600,000
Statewide Coordinator	$30,000	$15,000	$15,000
Program Investment Costs:			
Financing	$600,000	$1,200,000	$1,200,000
Health & Safety	$587,500	$1,175,000	$1,175,000
Implementation	$1,000,000	$2,000,000	$2,000,000
Incentives	$5,135,382	$13,212,788	$14,449,950
Next Gen Savings	$300,000	$800,000	$300,000
Workforce Development	$60,000	$120,000	$60,000
Total	**$10,030,382**	**$22,257,788**	**$22,634,950**

Rockland Electric Company

Pre-Tax Rate of Return Calculation

Exhibit AP-3

Witness: Accounting Panel

	Cost *	Capital Structure % *	Weighted After-Tax Cost	Weighted Pre-Tax Cost
Long Term Debt Rate	4.70%	51.49%	2.42%	2.42%
Regulated Return on Equity	9.60%	48.51%	4.66%	6.48%
			7.08%	**8.90%**

State tax rate	9.00%	a
Federal tax rate	21.00%	b
Combined Income Tax Rate after Federal Tax Deduction for State Income Taxes Paid	28.11%	c = 1-(1-b)*(1-a)
Net of Tax Factor	71.89%	d = 1/(1-c)

After-Tax Return on Equity	4.66%
Divide by: Net of Tax Factor	71.89%
Pre-Tax Return on Equity	6.48%

* From RECO's most recently approved electric base rate case, ER21050823

Rockland Electric Company
Revenue Requirement Calculation
Exhibit AP-4
Witness: Accounting Panel

				1	2	3	4	5	6
				2025	**2026**	**2027**	**2028**	**2029**	**2030**
REVENUE REQUIREMENT									
Beginning Plant					8,073,372	25,065,233	40,729,618	36,092,306	31,454,994
Whole Year Additions				-	-	-	-	-	-
Half Year Additions				8,280,382	18,757,788	19,334,950	-	-	-
+ Additions				8,280,382	18,757,788	19,334,950	-	-	-
- Depreciation				(207,010)	(1,765,928)	(3,670,564)	(4,637,312)	(4,637,312)	(4,637,312)
-Cost of removal				-	-	-	-	-	-
End of period Net Plant			**0**	**8,073,372**	**25,065,233**	**40,729,618**	**36,092,306**	**31,454,994**	**26,817,682**
- End of period Cumulative Deferred Taxes				(2,269,425)	(7,045,837)	(11,449,096)	(10,145,547)	(8,841,999)	(7,538,450)
Rate Base			**0**	**5,803,947**	**18,019,396**	**29,280,522**	**25,946,759**	**22,612,995**	**19,279,232**
Avg. rate base				**2,901,974**	**11,911,672**	**23,649,959**	**27,613,641**	**24,279,877**	**20,946,113**
* Pre-tax WACC for rev req		8.90%		8.90%	8.90%	8.90%	8.90%	8.90%	8.90%
Carrying charge				129,108	1,059,892	2,104,356	2,457,042	2,160,406	1,863,770
+ Depreciation				207,010	1,765,928	3,670,564	4,637,312	4,637,312	4,637,312
+ O&M				1,750,000	3,500,000	3,300,000	0	0	0
+ Property tax				-	-	-	-	-	-
Total Expense				**2,086,117**	**6,325,819**	**9,074,921**	**7,094,353**	**6,797,718**	**6,501,082**
* Gross up factor		1.000		1.000	1.000	1.000	1.000	1.000	1.000
Revenue Requirement	**$**	**69,758,222**		**2,086,117**	**6,325,819**	**9,074,921**	**7,094,353**	**6,797,718**	**6,501,082**

SUPPORTING SCHEDULES

Capital spend summary

Supporting Calculations Summary (Total)

Capital

Reg Asset & Program Implementation

Book depreciation schedule		**Spend**		**Depreciable life**						
	2025	8,280,382		10	207,010	828,038	828,038	828,038	828,038	828,038
	2026	18,757,788		10	-	937,889	1,875,779	1,875,779	1,875,779	1,875,779
	2027	19,334,950		10	-	-	966,747	1,933,495	1,933,495	1,933,495
	2028	-		0	-	-	-	-	-	-
	2029	-		0	-	-	-	-	-	-
Total book depreciation					207,010	1,765,928	3,670,564	4,637,312	4,637,312	4,637,312
New tax basis per year					8,280,382	18,757,788	19,334,950	-	-	-
Less: bonus depreciation per year		**0%**			-	-	-	-	-	-
CapEx eligible for MACRS depreciation per vintage					**8,280,382**	**18,757,788**	**19,334,950**	**-**	**-**	**-**
		Spend	1	**Tax life**						
	2025	8,280,382		1	8,280,382	-	-	-	-	-
	2026	18,757,788		1		18,757,788	-	-	-	-
	2027	19,334,950		1			19,334,950	-	-	-
	2028	-		1				-	-	-
	2029	-		1					-	-
Annual tax depreciation					**8,280,382**	**18,757,788**	**19,334,950**	**-**	**-**	**-**
Deferred Tax Calculation										
Federal										
Tax depreciation					8,280,382	18,757,788	19,334,950	-	-	-
Book depreciation (excluding cost of removal)					207,010	1,765,928	3,670,564	4,637,312	4,637,312	4,637,312
Difference between tax and book depreciation					8,073,372	16,991,861	15,664,385	(4,637,312)	(4,637,312)	(4,637,312)
* Tax rate				28%	28%	28%	28%	28%	28%	28%
Increase/(decrease) in normalized deferred taxes					2,269,425	4,776,412	4,403,259	(1,303,548)	(1,303,548)	(1,303,548)
Cumulative normalized deferred taxes					2,269,425	7,045,837	11,449,096	10,145,547	8,841,999	7,538,450

Exhibit AP-5

ROCKLAND ELECTRIC COMPANY

INDEX OF SCHEDULES

Rockland Electric Company
Comparative Balance Sheets - Assets
Year 2020 to 2023

ASSETS AND OTHER DEBITS	DECEMBER 31, 2020	DECEMBER 31, 2021	DECEMBER 31, 2022	JUNE 30, 2023
Utility Plant				
Electric Plant in Service	$461,563,878	$486,155,836	$502,915,523	$516,433,549
Electric Plant Held for Future Use	208,709	208,709	208,709	208,709
Construction Work in Progress	15,215,359	13,011,995	24,398,728	25,731,692
Total Utility Plant	**476,987,946**	**499,376,540**	**527,522,960**	**542,373,951**
Accum. Provision for Depreciation				
Electric Plant in Service	100,676,579	108,672,871	114,008,262	116,625,731
Total Accumulated Provision for Depreciation	**100,676,579**	**108,672,871**	**114,008,262**	**116,625,731**
Net Utility Plant	**376,311,367**	**390,703,669**	**413,514,697**	**425,748,220**
Other Property and Investments				
Investments in Subsidiary Companie	231,500	-	-	-
LT Derivative Instrument Asset		1,929,648	2,398,274	
Total Other Property and Investments	**231,500**	**1,929,648**	**2,398,274**	**-**
Cash	276,026	667,876	210,479	289,540
Special Deposits	-	(128)		
Temporary Cash Investments	18,400,000	21,600,000	27,750,000	12,075,000
Customer Accounts Receivable	14,945,898	15,863,104	13,511,220	13,510,143
Other Accounts Receivable	1,913,929	1,985,558	2,942,295	2,831,440
Accumulated Provision for Uncollectible Accounts	(1,199,776)	(1,531,522)	(1,071,494)	(1,431,878)
Accounts Receivable from Associated Companies	12,131,962	12,754,837	13,874,191	15,385,133
Materials and Supplies	3,972,093	3,836,544	4,427,751	5,026,689
Prepayments	611,025	309,658	632,504	7,465,081
Unbilled Revenues	5,655,525	1,691,359	3,895,654	4,163,041
Miscellaneous Current and Accrued Assets	-	-	-	-
Derivative Instrument Asset	-	1,231,300	3,139,330	1,084,226
Total Current and Accrued Assets	**56,706,683**	**58,408,587**	**69,311,928**	**60,398,415**
Deferred Debits				
Other Regulatory Assets	35,091,929	24,834,845	21,500,884	24,261,242
Miscellaneous Deferred Debits	1,138,527	758,670	1,874,289	1,228,887
Accumulated Deferred Federal Incor	45,252,488	49,889,450	51,738,192	49,128,054
Total Deferred Debits	**81,482,944**	**75,482,964**	**75,113,365**	**74,618,182**
Total Assets and Other Debits	**$514,732,494**	**$526,524,869**	**$560,338,265**	**560,764,817**

Rockland Electric Company
Comparative Balance Sheets - Liabilities
Year 2020 to 2023

LIABILITIES AND OTHER CREDITS	DECEMBER 31, 2020	DECEMBER 31, 2021	DECEMBER 31, 2022	JUNE 30, 2020
Proprietary Capital				
Common Stock Issued	$11,200,000	$11,200,000	$11,200,000	$11,200,000
Capital Stock Expense	-	-	-	-
Retained Earnings	300,255,563	309,132,962	329,662,276	334,635,746
Paid in Capital	20,000,000	30,000,000	30,000,000	30,000,000
Total Proprietary Capital	**331,455,563**	**350,332,962**	**370,862,276**	**375,835,746**
Long Term Debt				
Bonds	-	-	-	-
Unamortized Discount on Long Term Debt	-	-	-	-
Total Long Term Debt	**-**	**-**	**-**	**-**
Other Noncurrent Liabilities				
Accumulated Provision for Injuries and Damag	500,000	500,000	-	-
Accumulated Miscellaneous Operating Provisions			1,118,308	1,987,213
Obligations Under Capital Leases - Noncurren	158,754	116,742	73,443	51,579
Total Noncurrent Liabilities	**658,754**	**616,742**	**1,191,751**	**2,038,792**
Current and Accrued Liabilities				
Long Term Debt Due Within one Year	-	-	-	-
Accounts Payable	28,680,480	13,976,774	15,642,283	18,214,629
Accounts Payable to Associated Companies	10,723,463	9,601,645	14,046,585	12,139,751
Customer Deposits	3,475,619	3,551,208	3,243,041	3,261,713
Taxes Accrued	(161,323)	(273,496)	(229,284)	45,429
Interest Accrued	74,856	75,251	71,980	92,899
Tax Collections Payable	210,678	259,627	257,884	255,061
Miscellaneous Current and Accrued Liabilities	1,191,460	1,475,319	1,470,914	2,483,273
Obligations Under Capital Leases - Current	41,105	42,012	43,299	43,585
Derivative Instrument Liabilities	227,252	-		
Total Current and Accrued Liabilities	**44,463,591**	**28,708,339**	**34,546,702**	**36,536,340**
Deferred Credits				
Customer Advances for Construction	436,046	4,419,515	6,166,561	2,778,778
Other Deferred Credits	1,235,916	1,116,687	1,007,151	1,038,126
Regulatory Liabilities	20,361,653	20,738,601	20,712,989	18,739,048
Accumulated Deferred Income Taxes-Other Pr	71,853,482	74,800,576	78,585,681	79,337,564
Accumulated Deferred Income Taxes-Other	44,080,232	45,634,705	47,140,654	44,351,455
Accumulated Deferred Investment Tax Credits	187,259	156,742	124,500	108,969
Total Deferred Credits	**138,154,587**	**146,866,826**	**153,737,536**	**146,353,940**
Total Liabilities and Other Credits	**$514,732,494**	**$526,524,869**	**$560,338,265**	**$560,764,817**

Rockland Electric Company
Comparative Income Statement

Utility Operating Income	**DECEMBER 31, 2020**	**12 Months Ended DECEMBER 31, 2021**	**DECEMBER 31, 2022**
Operating Revenue	$177,275,078	$186,532,475	$203,090,923
Operating Expenses:			
Operation Expenses	137,588,742	146,174,726	144,324,710
Maintenance Expenses	13,579,210	16,123,319	18,848,785
Depreciation Expense	9,944,408	10,844,367	9,689,297
Amortization of Other Limited Term Plant	23,258	-	82,683
Regulatory Debits	1,122,802	1,224,877	850,608
Taxes Other than Income Taxes	1,814,688	1,833,454	1,807,670
Income Taxes			
Federal Income Taxes	(144,651)	484,046	5,002,603
NJ State Income Taxes	1,391,984	960,309	2,511,752
Total Utility Operating Expenses	**165,320,440**	**177,645,096**	**183,118,109**
Net Utility Operating Income	**11,954,638**	**8,887,379**	**19,972,814**
Other Income			
Investment Income	88,964	7,553	499,453
Allowance for Other Funds Used During Construction (AFDC)	844,370	82,956	262,325
Miscellaneous Non-Operating Income	(4,823)		
Miscellaneous Income Deductions	(213,491)	(215,626)	(190,739)
Total Other Income	**715,020**	**(125,116)**	**571,039**
Taxes Applicable to Other Income Deductions			
Taxes Other than Income Taxes	19,805	20,025	20,002
Income Taxes - Non Operating	(76,320)	(146,852)	(33,859)
Total Taxes Applicable to Other Income Deductions	**(56,515)**	**(126,827)**	**(13,857)**
Net Other Income and Deductions	**771,535**	**1,711**	**584,896**
Interest Charges			
Interest on Long Term Debt	-	-	-
Amortization of Debt Discount and Expense	-	-	-
Other Interest Expense	106,733	57,688	161,973
Allowance for Borrowed Funds Used During Construction	(424,006)	(45,998)	(133,577)
Total Interest Charges	**(317,273)**	**11,690**	**28,396**
Net Income	**$13,043,446**	**$8,877,399**	**$20,529,314**

Rockland Electric Company

Index of Schedules

Rockland Electric Company
EE and PDR Programs
Journal Entries

No.	FERC Account	Description	Debit	Credit
1	182.3	Other Regulatory Asset	XXX	
	131	Cash		XXX
		To record the deferral of program expenditures associated with the EE and PDR programs.		
2	142	Customer Receivables	XXX	
	400	Operating Revenues		XXX
		To recover through revenues via a surcharge.		
3	908	Customer Assistance Expenses	XXX	
	182.3	Other Regulatory Asset		XXX
		To record the amortization of the program costs.		
4	182	Other Regulatory Asset	XXX	
	456	Other Operating Revenues	XXX	
	908	Customer Assistance Expenses		XXX
	254	Other Regulatory Liabilities		XXX
		To record the over/ under recovery.		
5	182.3	Other Regulatory Asset	XXX	
	419	Other Income		XXX
	254	Other Regulatory Liabilities		XXX
	431	Interest Expenses	XXX	
		To record interest on over/under recovery.		

Rockland Electric Company
Triennium 2 EE and PDR Programs

PRO FORMA INCOME STATEMENT

	6 Month June 2025	12 Month June 2026	12 Month June 2027
Operating Revenues w SUT	**$ 2,224,323**	**$ 6,744,905**	**$ 9,676,134**
less SUT	138,205	419,086	601,213
Net Operating Revenues	**2,086,117**	**6,325,819**	**9,074,921**
Operating Expenses			
Amortization Expense	207,010	1,765,928	3,670,564
O&M Expense	1,750,000	3,500,000	3,300,000
Total Operating Expenses	**1,957,010**	**5,265,928**	**6,970,564**
Operating Income	**129,108**	**1,059,892**	**2,104,356**
Interest Expense	35,114	288,266	572,336
Income before income taxes	**93,993**	**771,626**	**1,532,020**
Income Taxes	26,422	216,904	430,651
Net Income	**$ 67,572**	**$ 554,722**	**$ 1,101,369**

PRO FORMA BALANCE SHEET

	June 30, 2025	June 30, 2026	June 30, 2027
Assets			
Regulatory Assets	$ 8,280,382	$ 27,038,170	$ 46,373,120
less Accumulated Amortization	207,010	1,972,937	5,643,502
Net Regulatory Assets	8,073,372	25,065,233	40,729,618
Total Assets	**$ 8,073,372**	**$ 25,065,233**	**$ 40,729,618**
Liabilities & Capitalization			
Deferred Income Taxes	$ (2,269,425)	$ (7,045,837)	$ (11,449,096)
Capitalization	10,342,797	32,111,070	52,178,714
Total Liabilities & Capitalization	**$ 8,073,372**	**$ 25,065,233**	**$ 40,729,618**

ROCKLAND ELECTRIC COMPANY
CONSOLIDATED TAX ADJUSTMENT
BASED ON RATE COUNSEL METHOD
TWELVE MONTHS ENDING DECEMBER 31, 2022
($000s)

Consolidated Tax Losses Allocated to RECO		
Tax Years 2018-2022 (Actuals)	$ (3,402)	
Total Tax Losses	(3,402)	
Revenue Requirement Allocation	25%	(a)
Allocated Tax Losses	(851)	
Portion Applicable to Delivery Service	85.70%	
Net Consolidated Tax Deduction	$ (729)	

(a) Based on the "Order Modifying the Board's Current Consolidated Tax Adjustment Policy" in Docket No. EO12121772, page 12 the CTA adjustment should be allocated so that the revenue requirement of the company is 25% of the adjustment.