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VIA ELECTRONIC MAIL ONLY

Carmen Diaz, Acting Secretary
New Jersey Board of Public Utilities
44 S. Clinton Avenue
P.O. Box 350
Trenton, NJ 08625
Board.secretary@bpu.nj.gov

**Re: Annual Progress Report of South Jersey Gas Company – Program Year 2022
DOCKET NOS. QO19010040 & GO20090618**

Dear Acting Secretary Diaz:

Pursuant to the Board's current filing procedures, herein is the Annual Progress Report for the first Program Year 2022¹ ("PY22") of South Jersey Gas ("SJG" or "Company") with respect to its Clean Energy Act of 2018 Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Programs.

In accordance with the New Jersey Board of Public Utilities ("BPU") March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

Energy Efficiency Program Progress - Executive Summary:

Portfolio (Program Launch)

In the months preceding the launch of the Company's programs on July 1, 2021, SJG focused on establishing the infrastructure and program partners needed to smoothly transition certain offerings previously made by New Jersey's Clean Energy Program ("NJCEP"), preparing to launch coordinated program offerings in conjunction with other New Jersey Utilities² ("Joint

¹ Program Year 2022 runs from July 1, 2021, through June 30, 2022.

² The Joint Utilities include Atlantic City Electric, New Jersey Natural Gas, Public Service Electric & Gas Company, Rockland Electric Company, Elizabethtown Gas Company, and South Jersey Gas Company.

Utilities”), and providing new expanded energy efficiency opportunities for the Company’s customers. SJG developed an energy efficiency program website¹, providing a comprehensive resource for customers to view the Company’s energy efficiency opportunities and other educational materials for customers and contractors. ETG also devoted significant time and resources working in conjunction with the Joint Utilities to develop coordinated Core and Additional program offerings as envisioned in the NJ Board of Public Utilities’ June 10, 2020 Order².

The utilities continue to collaborate and participate on working calls to ensure consistent implementation, address joint budget needs, and support contractors.

SJG successfully began offering all programs scheduled for launch in the first quarter of its 2021-2024 Triennial Energy Efficiency. SJG utilizes Third Party Implementation Contractors (“TPIC”) in the implementation of program offerings as shown in the table below.

Program Element	Program Component	TPIC
Core	HVAC	Honeywell
Core	Appliance Rebates	Honeywell
Core	Online Marketplace	Uplight
Core	Home Performance with Energy Star	Honeywell
Core	Multi-Family - Residential	Honeywell
Core	Multi-Family – C&I	Applied Energy Group
Core	C&I - Prescriptive and Custom	Applied Energy Group
Core	Small Business Direct Install	Applied Energy Group
Additional	Residential Behavior	Uplight
Additional	Quick Home Energy Check Up	Honeywell
Additional	Moderate Income Weatherization	Honeywell
Additional	C&I - Engineered Solutions	Applied Energy Group
Additional	C&I - Energy Management	Applied Energy Group

COVID-19 and Economic Impacts

SJG’s primary focus during the pandemic is the health and safety of our customers, employees, and contractors. The effects of the COVID-19 pandemic were seen in program performance. In the early stages of the program, program participation was impacted due to customer hesitation toward in-person visits. SJG is still experiencing some supply chain issues but expects program performance to improve as the pandemic impacts lessen.

Commercial & Industrial

SJG and its TPICs saw significant impacts of the pandemic affecting the C&I sector and the ability for certain businesses to participate in the Company’s energy efficiency programs. Energy efficiency trade allies experienced staffing shortages and impacts to supply chain. In addition,

¹ <https://www.southjerseygas.com/saveenergy>

² See generally, In the Matter of the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, Docket No. 19010040. Capitalized terms not otherwise defined herein have the same meaning as used in this Order.

the pandemic left many businesses uncertain of the future and there was hesitancy to make investments related to energy efficiency. SJG expects participation in the C&I sector to grow in PY2 as the impacts of the pandemic lessen.

In June of this year, Atlantic City Rescue Mission¹ (ACRM) was able to complete a project through SJG's Direct Install program for small business. ACRM is located in an overburdened community (OBC). Atlantic City Rescue Mission helps over thousands of homeless and working poor people per year and is the largest provider of comprehensive services to about 25% of the entire state of New Jersey's homeless population. The project included replacing an aged condensing boiler with a new, high efficiency system. They also installed some lower cost energy efficiency measures including pipe wrap, low flow aerators, and system controls to help control operating costs throughout the entire building.

The Direct Install program further helped the customer's project by providing an incentive covering 80% of the project's costs. Coupled with the on-bill repayment option, this program was able to optimize the customer's savings and costs, while providing upgraded mechanicals to an institution that serves such a critical role in the community.

Multi-Family

Multi-Family is a new sector SJG has worked with its TPICs and the other Joint Utilities to launch coordinated utility-run Multi-Family offerings in. There are multiple pathways for Multi-Family programs. During PY 2022 Q1, the Company focused on creating a website and educational material for multi-family building owners to decide which pathway is best for their building. ETG and its TPICs have been focused on outreach to educate building owners on the available programs. ETG anticipated the limited participation given the longer lead times, required education and outreach to building owners, and a limited Multi-Family contractor network.

Contractor Engagement

South Jersey Gas has been offering energy efficiency programs since 2009. SJG has a robust contractor network for HVAC and Home Performance with Energy Star programs. This enabled SJG to quickly transition and launch the new programs. During the first year, SJG worked to identify, engage, and add new contractors through trainings. SJG held trainings throughout the year educating contractors on Residential and Commercial program offerings and the on-bill repayment program, financing processes, and the income eligible weatherization program. SJG has onboarded 97 contractors and will continue its contractor outreach.

The utilities established a recurring Home Performance contractor meeting which was designed to educate contractors, listen to their feedback, gain input, and share best practices. Trainings were held throughout the year and topics discussed included heat pumps, blower door, thermostats, air conditioning rating changes, and SnuggPro. The utilities started a HVAC contractor meeting in the third quarter and energy efficiency program overviews were shared with the group.

On February 1, 2022, SJG launched a HVAC Advertising Co-Op program available to contractors participating in the utility's HVAC financing program. SJG partnered with NJNG,

¹ <https://acrescuemission.org/>

JCPL and ETG to develop the Advertising Co-Op program guidelines to ensure program consistency. The program offers contractors funding support for promoting the HVAC program through some of the following tactics like radio, print advertising, direct mail, and social media. Through June, SJG has had four contractors participate in the program. The utility hopes to continue to expand contractor participation in the program.

On-Bill Repayment

SJG offers On-Bill Repayment for Energy Efficiency program financing. On-Bill Repayment is an easy way to facilitate repayment and offers an enhanced customer experience. The On-Bill Repayment offering has helped drive customer participation in the Residential sector and proven a useful tool for our contractors.

Statewide Coordinator System (SWC)

The Utilities are continuing to work on the development of the Statewide Coordinator (SWC) system that will facilitate the exchange of investments and energy savings between a Lead Utility and a Partner Utility. As of the date of this report, the SWC system is not yet fully tested and operational, therefore the utilities have not yet transferred information for expenditures and energy savings. As discussed during Utility Working Group discussions, Utilities are supporting the incentives for comprehensive projects that address both fuels with the intention to transfer all information through the SWC when the system is operational and integrated with each utility's program management software and tracking system. The Joint Utilities continue to hold weekly meetings to coordinate on program budgets. The utilities submitted a petition for consideration with a proposed solution for potential budget disparities and the BPU has approved. Accordingly, the information reflected within this annual report reflects all investments and financing made by South Jersey Gas including those as the Lead Utility on behalf of a Partner Utility. Energy savings shown within this report only reflects savings for South Jersey Gas's primary fuel.

SJG programs delivered 253,146 DTh of savings in PY22, or approximately 129% of the annual target.

Residential Sector

- The Residential Sector has seen the strongest performance relative to targets so far. This is due to the established interest in similar programs from previous cycles. South Jersey Gas continues to see interest in our residential programs. This is due to our established network of participating contractors.
- South Jersey Gas has contracted Honeywell as the implementation party for the residential programs, save for the Marketplace Program and the Behavioral Program which will be served by Uplight.
- The Existing Homes Home Performance with Energy Star program reported 6,728 DTh in energy savings or approximately 101% of the program's PY22 target. The Home Performance with ENERGY STAR Program saw 235 projects completed.
- The Behavioral program reported 142,592 DTh in energy savings. The Behavioral Program had 182,849 customers in PY22's treatment group.

- The Efficient Products program reported 97,518 DTh in energy savings or approximately 92% of the program's PY22 target.
 - The Marketplace Program had 9,868 participants in PY22.
 - The Appliance Rebates Program had 1,221 participants in PY22.
 - SJG offers appliance rebates at 60 retail outlets including large and independent stores.
 - The HVAC Program had 4,299 participants in PY22.
 - In PY22, 86 of the HVAC program participants qualified for the supplemental incentive for Low to Moderate Income customers.
- The Quick Home Energy Check Up Program had 437 completed projects.
- The Moderate-Income Weatherization Program had 142 completed projects.

Commercial Sector

- South Jersey Gas has contracted Applied Energy Group as the implementation party for the Commercial Programs.
- The Prescriptive and Custom Program had 6 participants in PY22, with savings of 1,064 DTh.
- The Small Business Direct Install Program had 10 participants in PY22, with savings of 1,194 DTh.
- The Engineered Solutions, and Energy Management Programs did not deliver any savings during the reporting period but outreach efforts to larger customers are in progress, and we expect these programs to complete in the following program year.

Multi-Family Sector

- South Jersey Gas has contracted Honeywell as the implementation party for the Multi-Family Home Performance with Energy Star Program, and Multi-Family Direct Install Program.
- South Jersey Gas has contracted Applied Energy Group as the implementation party for Multi-Family Engineered Solutions and Multi-Family Prescriptive and Custom Programs.
- The Multi-Family Direct Install Program had 217 participants in PY22, with savings of 383 DTh.

Comfort Partners Summary

SJG continues to partner with the BPU and our utility partners to implement Comfort Partners and support our low-income customers. Comfort Partners had 432 participants for PY22 resulting in 4,394 DTh annual savings.

Table 1 shows the Company's overall performance as a percentage of retail sales, which includes retail sales reductions achieved by the Comfort Partners program, which is the primary program

serving low-income customers and is co-managed by the Division of Clean Energy in conjunction with South Jersey Gas and the other investor-owned electric and gas utility companies.

Recognizing the transition to utility programs, the Board's June 10, 2020 CEA Order did not establish specific energy use reduction requirements for PY22. Annual targets will become applicable in future years.

Table 1 – Program Year 2022 Program Results

Utility-Administered Programs ex-ante energy savings (Dth)	Comfort Partners ex-ante energy savings (Dth)	Other Programs ex-ante energy savings (Dth) ¹	Total ex-ante energy savings (Dth)	Compliance Baseline (Dth)	Annual Target (%) ²	Annual Target (Dth)	Percent of Annual Target (%)
(A)	(B)	(C)	(D) = (A)+(B)+(C)	(E)	(F)	(G) = (E)*(F)	(H) = (D) / (G)
253,146	4,394	N/A	257,540	50,984,969	0%	0	N/A

¹ Other Programs includes Company-specific programs that are not part of the Clean Energy Act (CEA) energy efficiency programs and Comfort Partners, such as legacy programs and pilots.

² No formal targets established for PY22 in the June 2020 CEA Framework Order

Figure 1 shows that year to date natural gas savings is 131% of the PY22 annual savings goal, and program year to date spending is 99% of the PY22 expenditure target.

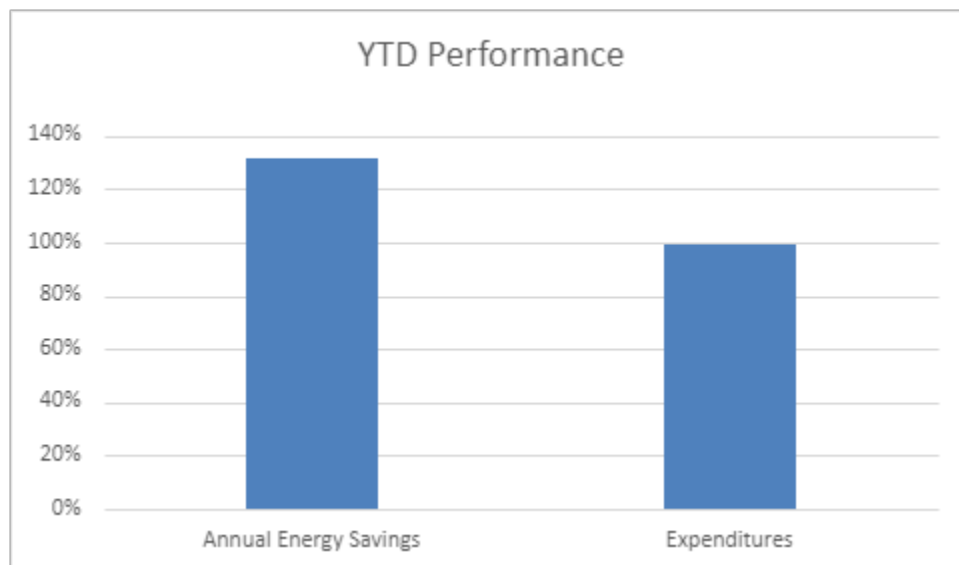


Figure 1: PY22 Performance of Annual Energy Savings and Budget

The QPI results reflect exceeding forecasted targets for Annual Energy Savings and Lifetime Savings. The results can be attributed to strong performance in the Residential sector, to which SJG has been offering energy efficiency programs since 2009. SJG has a robust contractor network for the HVAC and Home Performance with Energy Star programs as well as an operating Efficient Products marketplace and Behavioral program that have been in place from the previous program cycle. This provides SJG with a solid foundation for program year two.

The Residential sector has represented the bulk of PY22 annual targets at 128%, primarily due to having an established contractor base for the HVAC Program. Low to Moderate-Income Savings was driven by the Moderate-Income Weatherization Program at 3,054 DTh in annual savings and 76,120 DTh in lifetime savings. The Small Business Direct Install Program represented all of the Small Commercial savings at 1,194 DTh in annual savings and 15,526 DTh in lifetime savings.

Table 2 provides the results of the QPIs for all programs for which utilities are responsible, inclusive of the CEA-funded programs, Comfort Partners program (only included in low/moderate income lifetime savings), and any legacy energy efficiency programs administered by South Jersey Gas that were authorized or funded by or through a prior filing or authorization.

Table 2 – Quantitative Performance Indicators

Quantitative Performance Indicator	Utility-Administered Plan Year Results	Comfort Partners Plan Year Results	Other Programs Plan Year Results	Total Plan Year Results	Annual Target ¹	Percent of Annual Target Achieved
Annual Energy Savings (Dth) ¹	253,146	4,394	N/A	257,540	195,941	131%
Lifetime Savings (Dth)	1,910,577	81,201	N/A	1,991,778	1,634,816	122%
Annual Demand Savings (Dth-day) ²						
Lifetime of Persisting Demand Savings (Dth-day-year)						
Low/Moderate-Income Lifetime Savings (Dth) ³	97,947	81,201	N/A	179,148		
Small Commercial Lifetime Savings (Dth) ⁴	15,526		N/A	15,526		
Net Present Value of Utility Cost Test Net Benefits (\$000)	\$7,071			\$7,071		

¹ Calculated savings at the retail (customer meter) level. Savings are ex-ante.

² Calculation methodology for Annual Demand Savings and Lifetime of Persisting Demand Savings are in development.

³ Low/Moderate-Income lifetime savings are the total of any income-qualified Residential or Multi-Family program.

⁴ Small Commercial lifetime savings are Direct Install program savings and those from C&I small business customers (based on rate class) in other programs.

Sector-Level Participation, Expenditures, and Energy Savings

Residential Programs had 199,063 participants and delivered 250,506 DTh of energy savings during the reporting period, amounting to 136% of the overall PY22 target. The savings were driven by the Efficient Products program and Home Performance with Energy Star program. The Efficient Products programs had 15,400 participants and delivered 97,518 DTh of energy savings. The Behavioral program had 182,849 participants and delivered 142,592 DTh of energy savings. The Commercial Programs had 16 participants and delivered 2,258 DTh of energy savings. The Multi-Family Programs had 217 participants and delivered 383 DTh of energy savings. To date, the utility administered programs delivered 253,146 DTh in savings or 131% of the forecasted PY22 annual target.

Expenditures during the year are approximately 99% of the budget for PY22 and were driven by Residential Programs. We are partnering with our implementation teams to develop marketing and outreach plans to connect customers with contractors and present projects and establish a pipeline that will provide the participation needed to achieve our energy savings targets.

Table 3 – Sector-Level Participation

Sector ¹	Current Quarter Participants	Annual Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	188,887	199,063	177,217	112%
Multi-Family	217	217	652	33%
C&I	3	16	858	2%
Reported Totals for CEA Utility Administered Programs	189,107	199,296	178,727	112%
Comfort Partners ²	103	432	5,700	N/A
Utility Total	189,210	199,728	178,727	N/A

¹ Please note that these numbers are totals across all programs within a sector. Appendix B shows the participation results for individual programs or offerings.

² Comfort Partners, the primary program serving low-income customers, is co-managed by the Division of Clean Energy in conjunction with South Jersey Gas and the other investor-owned electric and gas utility companies. Comfort Partners participation forecast is on a state-level and not available on an individual utility basis. As such, the Percent of Annual Forecast cannot be calculated.

Sector-Level Expenditures

The following table provides annual level expenditures by sector. South Jersey Gas's expenses for this year were 99% of the PY22 budget, driven by strong participation in the Efficient Products and Home Performance programs and on-bill repayment program.

Table 4 – Sector-Level Expenditures

Expenditures ¹	Current Quarter Expenditures (\$000)	Annual Expenditures (\$000)	Annual Budget Expenditures (\$000)	Percent of Annual Budget
Residential	\$12,174	\$30,885	\$29,187	106%
Multi-Family	\$123	\$395	\$1,212	33%
C&I	\$197	\$1,071	\$2,238	48%
Reported Totals for CEA Utility Administered Programs	\$12,494	\$32,350	\$32,637	99%
Comfort Partners ²	\$622	\$2,759	\$3,333	83%
Utility Total	\$13,116	\$35,109	\$32,637	108%

¹ Expenditures include rebates, incentives, and loans, as well as program administration costs allocated across programs.

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

Sector-Level Energy Savings

The Residential Sector largely contributed to the energy savings in this quarter, reporting 250,506 Dth of energy savings, or 128% of the PY22 annual target. As outreach efforts continue, we expect increased activity, and energy savings, for the Commercial and Multi-Family Sectors.

Table 5 –Sector-Level Energy Savings

Annual Energy Savings ¹	Current Quarter Retail (Dth)	Annual Retail (Dth)	Annual Target Retail (Dth)	Percent of Annual Target
Residential	65,421	250,506	184,301	136%
Multi-Family	383	383	1,801	21%
C&I	244	2258	9,841	23%
Reported Totals for CEA Utility Administered Programs	66,047	253,146	195,943	129%
Comfort Partners ²	939	4,394	33,830	N/A
Utility Total	66,986	257,540	195,943	131%

¹ Annual Energy Savings represent the total expected annual savings from all EE measures within each sector. Appendix B shows the Annual Energy Savings results for individual programs or offerings.

² Comfort Partners Annual Target Retail Savings is a statewide target. As such, the Percent of Annual Forecast cannot be calculated.

Portfolio Expenditures Breakdown

Program expenditures reflect South Jersey Gas expenditures for PY22, which was 99% of what was budgeted. Capital costs in this quarter were driven by the development of the On-Bill Repayment system. Inspections & Quality Control has been implemented in the second program year.

Table 6 – Annual Costs and Budget Variances by Category¹

Utility EE/PDR	Quarter Reported (\$000)	Annual Reported (\$000)	Full Year Budget (\$000)	Percent of Budget Spent
Capital Costs	\$249	\$359	\$610	59%
Utility Administration	\$126	\$666	\$1,079	62%
Marketing	\$104	\$339	\$738	46%
Outside Services	\$437	\$1,979	\$4,083	48%
Rebates ²	\$2,613	\$7,144	\$10,997	65%
No- or Low-Interest Loans	\$8,926	\$21,778	\$13,712	159%
Evaluation, Measurement & Verification (“EM&V”)	\$39	\$86	\$1,115	8%
Inspections & Quality Control	\$0	\$0	\$303	0%
Utility EE/PDR Total	\$12,494	\$32,350	\$32,637	99%

¹ Categories herein align to South Jersey Gas’ EE plan as approved by the BPU.

² Rebates include rebates and other direct investments.

Equity Metrics

These equity metrics draw from the considerable work of the New Jersey Office of Environmental Justice's Overburdened Community (“OBC”) designations. Per New Jersey’s Environmental Justice Law, N.J.S.A. 13:1D-157, census block groups are identified as being an “Overburdened Community” when certain census criteria are met¹, and metrics reported herein reflect further direction from BPU Staff². This data is compiled into Table 7 detailing Equity Performance.

¹ Per N.J.S.A. 13:1D-157: (1) at least 35 percent of the households qualify as low-income households; (2) at least 40 percent of the residents identify as a minority or as members of a State recognized tribal community; or (3) at least 40 percent of the households have limited English proficiency.

² Per guidance from BPU Staff, Overburdened Communities as used in Table 7 reflect those communities where at least 35 percent of the households qualify as low-income households but exclude those communities that are solely designated as Minority, Limited English, or Minority and Limited English.

Table 7 – Equity Performance

Territory-Level Benchmarks	Overburdened ¹	Non-Overburdened	% OBC ²
# of Household Accounts ³	78,317	303,690	21%
# of Business Accounts ⁴	7,394	18,993	28%
Total Annual Energy (DTh) ⁴	19,030,288	68,650,202	22%

Programs	Sub Program or Offering	Types of Sub Program Offering	Quarter Overburdened ¹	Quarter Non-Overburdened	% OBC ²	YTD Overburdened	YTD Non-Overburdened	% OBC ²
Participation								
Residential - Efficient Products	HVAC	Core	189	1,679	10%	432	3,867	10%
	Appliance Rebates	Core	50	455	10%	119	1,102	10%
	Online Marketplace	Core	511	2,672	16%	1,605	8,263	16%
	Energy Efficient Kits	Core	0	11	0%	0	12	0%
Residential - Existing Homes	Home Performance with Energy Star	Core	4	22	15%	26	209	11%
	Quick Home Energy Checkup	Additional	54	294	16%	71	366	16%
	Moderate Income Weatherization	Additional	28	69	29%	41	101	29%
Home Energy Reports	Behavioral	Additional	N/A	N/A	N/A	N/A	N/A	N/A
C&I Direct Install	Direct Install	Core	0	0	N/A	2	8	20%
Energy Solutions for Business	Prescriptive/Custom	Core	2	1	67%	2	4	33%
	Energy Management	Additional	0	0	N/A	0	0	N/A
	Engineered Solutions	Additional	0	0	N/A	0	0	N/A
Multi-Family	Multi-Family Home Performance with Energy Star	Core	0	0	N/A	0	0	N/A
	Multi-Family Direct Install	Core	217	0	100%	217	0	100%
	Multi-Family Prescriptive / Custom	Core	0	0	N/A	0	0	N/A
	Multi-Family Engineered Solutions	Core	0	0	N/A	0	0	N/A
Total Core Participation			973	4,840	17%	2,403	13,465	15%
Total Additional Participation			82	363	18%	112	467	19%
Total Participation			1,055	5,203	17%	2,515	13,932	15%
Annual Energy Savings (dth)								
Residential - Efficient Products	HVAC	Core	2,318	21,449	10%	5,834	51,448	10%
	Appliance Rebates	Core	36	318	10%	86	777	10%
	Online Marketplace	Core	2,034	10,655	16%	6,391	32,932	16%
	Energy Efficient Kits	Core	0	47	0%	0	51	0%
Residential - Existing Homes	Home Performance with Energy Star	Core	126	577	18%	748	5,979	11%
	Quick Home Energy Check-Up	Additional	83	363	19%	115	499	19%
	Moderate Income Weatherization	Additional	541	1,395	28%	954	2,100	31%
Home Energy Reports	Behavioral	Additional	N/A	N/A	N/A	N/A	N/A	N/A
C&I Direct Install	Direct Install	Core	0	0	N/A	1,040	153	87%
Energy Solutions for Business	Prescriptive/Custom	Core	105	139	43%	105	958	10%
	Energy Management	Additional	0	0	N/A	0	0	N/A
	Engineered Solutions	Additional	0	0	N/A	0	0	N/A
Multi-Family	Multi-Family Home Performance with Energy Star	Core	0	0	N/A	0	0	N/A
	Multi-Family Direct Install	Core	383	0	100%	383	0	100%
	Multi-Family Prescriptive / Custom	Core	0	0	N/A	0	0	N/A
	Multi-Family Engineered Solutions	Core	0	0	N/A	0	0	N/A
Total Core Annual Energy Savings			5,002	33,185	13%	14,587	92,299	14%
Total Additional Annual Energy Savings			624	1,757	26%	1,069	2,599	29%
Total Annual Energy Savings			5,626	34,942	14%	15,657	94,898	14%
Lifetime Energy Savings (dth)								
Residential - Efficient Products	HVAC	Core	42,006	382,770	10%	106,085	930,260	10%
	Appliance Rebates	Core	421	3,675	10%	996	8,973	10%
	Online Marketplace	Core	15,925	83,041	16%	49,629	254,456	16%
	Energy Efficient Kits	Core	0	464	0%	0	506	0%
Residential - Existing Homes	Home Performance with Energy Star	Core	2,754	12,601	18%	15,003	122,424	11%
	Quick Home Energy Checkup	Additional	831	3,639	19%	1,155	5,012	19%
	Moderate Income Weatherization	Additional	13,586	35,457	28%	24,584	51,537	32%
Home Energy Reports	Behavioral	Additional	N/A	N/A	N/A	N/A	N/A	N/A
C&I Direct Install	Direct Install	Core	0	0	N/A	13,836	1,690	89%
Energy Solutions for Business	Prescriptive/Custom	Core	2,107	2,777	43%	2,107	19,058	10%
	Energy Management	Additional	0	0	N/A	0	0	N/A
	Engineered Solutions	Additional	0	0	N/A	0	0	N/A
Multi-Family	Multi-Family Home Performance with Energy Star	Core	0	0	N/A	0	0	N/A
	Multi-Family Direct Install	Core	3,822	0	100%	3,822	0	100%
	Multi-Family Prescriptive / Custom	Core	0	0	N/A	0	0	N/A
	Multi-Family Engineered Solutions	Core	0	0	N/A	0	0	N/A
Total Core Lifetime Energy Savings			67,034	485,328	12%	191,478	1,337,368	13%
Total Additional Participation			14,418	39,096	27%	25,739	56,549	31%
Total Lifetime Energy Savings			81,452	524,424	13%	217,217	1,393,917	13%

¹ Across all programs, participation/expenditures/savings are classified as either in an Environmental Justice Overburdened Community census block or not based on the program participant's address. Overburdened Community census blocks were developed and defined by the NJ Department of Environmental Protection (www.nj.gov/dep/ej/communities.html). The Overburdened Community (OBC) census blocks are defined with three criteria: at least 35% of households qualify as low-income, at least 40% of residents identify as minority, and at least 40% of households have limited English proficiency. If any of the three criteria is satisfied, the census block is defined as OBC. Staff directed to only include OBC census blocks where at least 35% of households qualify as low-income. For example, a census block that only satisfies the limited English proficiency criteria is not included.

² The %OBC column shows the ratio of the overburdened metric over the total of overburdened plus non-overburdened. Comparing the territory-level benchmark %OBC (upper table) versus the program %OBC (lower table) shows how equitable the distribution of the program is between the overburdened and non-overburdened populations. If the program %OBC is greater than the benchmark %OBC, then the overburdened population is better represented in the program relative to the percentage of overburdened households or business in the utility territory.

³ Estimation of accounts with overburdened designation determined to be active immediately preceding the current Plan Year.

⁴ Estimation of usage with overburdened designation for the 12-month period immediately preceding the current Plan Year.

Benefit-Cost Test Results

PY22 involved the creation of many new programs, which took time to ramp up. This was especially true for all of the Multi-Family programs, Energy Solutions for Business - Energy Management program and the Energy Solutions for Business - Engineered Solutions program where projects often have long lead times. Some projects initiated in PY22 have PY23 completion dates. Due to both the ramp-up period and the completion dates falling into the next program year, the single year cost ratio tests for these programs include upfront and administrative costs that fall into PY22 costs whereas the benefits will not accrue until future program years. The results presented in the Initial section of Table 8 reflect a three-year model where the upfront costs are offset by benefits from later program years when programs are fully established.

Table 8 – Benefit-Cost Test Results

	Initial						Final					
	NJCT	PCT	PACT	RIMT	TRCT	SCT	NJCT	PCT	PACT	RIMT	TRCT	SCT
Behavior	1.8	2.7	1.3	0.7	1.3	2.1	2.1	2.5	2.7	1.0	1.6	2.2
Efficient Products	2.0	3.0	1.5	0.8	1.3	6.7	2.8	3.2	2.0	0.9	1.8	3.0
Existing Homes	1.1	2.2	0.7	0.5	0.7	2.2	1.1	1.9	0.7	0.5	0.6	1.1
Multi-Family	2.6	3.9	1.9	1.0	1.7	5.8	0.1	3.4	0.1	0.1	0.1	0.1
Energy Solutions for Business	2.7	3.5	2.2	1.4	1.8	5.3	0.0	27.1	0.0	0.0	0.0	0.0
C&I Direct Install	2.5	3.9	1.4	0.9	1.7	6.1	2.0	3.0	1.8	1.1	1.4	2.5
Portfolio	1.7	2.8	1.2	0.7	1.1	4.6	2.1	2.8	1.5	0.8	1.3	2.3

Conclusion

As discussed in the report, SJG results can be attributed to strong performance in the Residential sector, to which SJG has been offering energy efficiency programs since 2009. SJG has a robust contractor network for the HVAC and Home Performance with Energy Star programs as well as an operating Efficient Products marketplace and Behavioral program that have been in place from the previous program cycle.

The impacts of the COVID-19 pandemic were seen in program performance. In the early stages of the program, program participation was impacted due to customer hesitation toward in-person

visits. SJG is still experiencing some supply chain issues but expects program performance to improve as the pandemic impacts lessen. SJG and its TPICs saw significant impacts of the pandemic affecting the C&I sector and the ability for certain businesses to participate in the Company's energy efficiency programs. Energy efficiency contractors experienced staffing shortages and impacts to supply chain. In addition, the pandemic left many businesses uncertain of the future and there was hesitancy to make investments related to energy efficiency. The Multi-Family sector had limited participation due to longer lead times, required outreach and education to building owners and limited multifamily network. Due to the nature of the first year start-up activities, SJG did not identify any seasonal or cyclical program performance variances.

As of the time of filing, evaluation reports are still ongoing. Upon completion of the program evaluation process, we expect that the findings will provide guidance and suggestions for program improvements.

SJG has laid solid foundation in the first year that will allow continued improvement, increased program participation and energy savings for the coming years.

If you have any questions, please feel free to contact me directly.

Respectfully,



Deborah M. Franco

DMF/caj
F109

cc: Brian Lipman
Maura Caroselli
Stacy Richardson
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List of Appendices

The bolded appendices in this list also appear in the accompanying Annual Report Appendix Spreadsheet.

- Appendix A – Participant Definitions
- **Appendix B – Energy Efficiency and PDR Savings Summary**
- **Appendix C - Energy Efficiency and PDR Savings Summary, LMI Customers**
- **Appendix D - Energy Efficiency and PDR Savings Summary, Business Customers**
- **Appendix E - Annual Baseline Calculation**
- **Appendix F –Energy Savings with 2022 TRM Addendum**
- **Appendix G - Ex-Ante Energy Savings Held for Transfer**
- **Appendix H – Cost Effectiveness Test Details**
- Appendix I – Program Changes

Appendix A – Participant Definitions

NJ Program		Participants (as lead utility)
Efficient Products	HVAC	Sum of HVAC units (multiple units per customer, counts as multiple participants)
	Lighting - Upstream	Quantity of packages sold (based on SKU) - net of returns (negative in current period)
	Rebated Products	Quantity of units rebated (based on SKU)
	Mid-Stream Products	Quantity of units sold (based on SKU) - net of returns (negative in current period)
	Appliance Recycling	Count of visits to premise not units
	Online Marketplace	Quantity of units sold (based on SKU) - net of returns (negative in current period)
	EE Kits - Giveaway	Per kit delivered
	Consumer Electronics	For rebated programs, count of rebate applications For Midstream, every measure is considered a participant - net of returns (negative in current period)
Existing Homes	Home Performance with Energy Star	Count of completed HPwES projects
	Quick Home Energy Checkup	Count of completed visits
	Moderate Income Weatherization	Same as HPwES - (distinction would be paying for audit in this program)
Home Energy Education & Management	Behavioral	Count of treatment customers at end of reporting period
C&I Direct Install	Direct Install	Count based on number of applications/projects completed, not account number
Energy Solutions for Business	Prescriptive/Custom	Count based on number of applications/projects completed, not account number
	Energy Management	Count based on number of applications/projects completed, not account number
	Engineered Solutions	Count based on number of applications/projects completed, not account number
Multi-Family	HPwES	Count of completed HPwES projects
	Direct Install	Count based on number of projects completed
	Prescriptive/Custom	Count based on number of applications/projects completed, not account number
	Engineered Solutions	Count based on number of applications/projects completed, not account number

SJG Energy Efficiency and PDR Savings Summary

South Jersey Gas Annual Report - Appendix B
For Period Ending PY22Q4

		Participation				Actual Expenditures				Ex Ante Energy Savings							
		A	B	C	D=C/B	E	F	G	H=G/F	I	J	K	L=K/J	M	N	O	P
		Quarter	Annual Forecasted Participation Number	YTD Reported Participation Number	YTD % of Annual Participants	Quarter (\$000)	Annual Forecasted Program Costs (\$000) ²	YTD Reported Program Costs (\$000)	YTD % of Annual Budget	Quarter Annual Retail Energy Savings (Dth)	Annual Forecasted Retail Energy Savings (Dth)	YTD Reported Retail Energy Savings (Dth)	YTD % of Annual Energy Savings	YTD Reported Wholesale Energy Savings (Dth)	YTD Peak Demand Savings (DT) ³	Quarter Lifetime Retail Savings (Dth) ⁴	YTD Lifetime Retail Savings (Dth) ⁴
Residential Programs	Sub Program or Category ¹																
Efficient Products*	HVAC	1,868		4,299		10,308		22,978		23,767		57,281		58,112		424,776	1,036,345
	Appliance Rebates	505		1,221		139		362		355		863		875		4,096	9,969
	Marketplace Efficient Products	3,183		9,868		344		1,073		12,689		39,323		39,894		98,966	304,086
	EE Giveaway Kits	11		12		0		0		47		51		52		464	506
	Subtotal Efficient Products	5,567	25,817	15,400	60%	10,790	20,073	24,413	122%	36,857	106,126	97,518	92%	98,933	0	528,302	1,350,906
Existing Homes	Home Performance with Energy Star*	25	200	235	118%	345	3,142	4,068	129%	703	6,598	6,728	101%	6,780		15,355	137,428
	Quick Home Energy Check-Up	348	850	437	51%	127	660	236	36%	446	2,403	615	26%	623		4,471	6,167
	Moderate Income Weatherization	97	350	142	41%	671	4,209	1,442	34%	1,936	5,754	3,054	53%	3,103		49,043	76,120
Behavioral	Behavioral	182,849	150,000	182,849	122%	242	1,103	726	5%	25,479	63,420	142,592	225%	144,661		53,505	299,443
Total Residential		188,887	177,217	199,063	112%	12,174	29,187	30,885	106%	65,421	184,301	250,506	136%	254,100	0	650,676	1,870,065
Business Programs	Sub-Program																
C&I Direct Install	Direct Install*	0	15	10	67%	104	1,357	546	40%	0	2,071	1,194	58%	1,211		0	15,526
Energy Solutions for Business	Prescriptive/Custom* ³	3	843	6	1%	45	881	344	39%	244	7,770	1,064	14%	1,079		4,883	21,165
	Energy Management	0	0	0	N/A	20	0	67	N/A	0	0	0	N/A	0		0	0
	Engineered Solutions	0	0	0	N/A	28	0	114	N/A	0	0	0	N/A	0		0	0
Total Business		3	858	16	2%	197	2,238	1,071	48%	244	9,841	2,258	23%	2,290	0	4,883	36,691
Multi-Family*	HPwES	0		0		5		28		0		0		0		0	0
	Direct Install	217		217		48		95		383		383		388		3,822	3,822
	Prescriptive/Custom*	0		0		0		0		0		0		0		0	0
	Engineered Solutions	0		0		70		271		0		0		0		0	0
	Subtotal MultiFamily	217	652	217	33%	123	1,212	395	33%	383	1,801	383	21%	388	0	3,822	3,822
Other Programs																	
Home Optimization & Peak Demand Reduction																	
Total Other																	
Supportive Costs Outside Portfolio																	
Portfolio Total		189,107	178,727	199,296	112%	12,494	32,637	32,350	99%	66,007	195,943	253,146	129%	256,819	0	659,381	1,910,577

¹ Subprograms provide relevant forecasts as included in the Company's approved EE/PDR Plans. Program delivery elements are generally listed as categories for informational purposes only.

² Annual Forecasted Program Costs reflect values anticipated in Board-approved Utility EE/PDR filings and may incorporate budget adjustments as provided for in the June 10, 2020 Board Order.

³ Prescriptive/Custom Participation Number is reported on a Measure level

⁴ On-going discussions within the Evaluation, Measurement and Verification (EM&V) Working Group have noted that there is no clearly defined protocol for calculating Peak Demand Savings for natural gas measures. It is anticipated that this issue will be addressed by the EM&V Working Group within this Triennial. No Peak Demand Savings for natural gas measures will be reported until an agreed upon methodology has been determined.

⁵ Quarter Lifetime Retail Savings and YTD Lifetime Retail Savings for Behavioral is calculated based on a 2.1 year Measure Life

* Denotes a core EE program. Home Performance with Energy Star only includes non-LMI; the comparable program for LMI participants is Comfort Partners, which is jointly administered by the State and Utilities.

Energy Efficiency and PDR Savings Summary

South Jersey Gas Annual Report - Appendix C
For Period Ending PY22Q4

		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings	
		A	B	C	D	E	F
		Reported Participation Number YTD		Reported Incentive Costs YTD (\$000)		Reported Retail Energy Savings YTD (DTh)	
Residential Programs	Sub Program	LMI	Non-LMI or Unverified	LMI	Non-LMI or Unverified	LMI	Non-LMI or Unverified
Efficient Products	HVAC	86	4,213	\$469	\$21,734	1,252	56,029
	Appliance Rebates	0	12	\$0	\$0	0	51
	Marketplace Efficient Products	0	9,868	\$0	\$899	0	39,323
	Efficient Products Kits	0	1,221	\$0	\$166	0	863
	Subtotal Efficient Products	86	15,314	\$469	\$22,800	1,252	96,266
Existing Homes	Home Performance with Energy Star ¹	0	235	\$0	\$3,464	0	6,728
	Quick Home Energy Check-Up	0	437	\$0	\$119	0	615
	Moderate Income Weatherization	142	0	\$978	\$0	3,054	0
Home Energy Education & Management	Behavioral	0	182,849	\$0	\$673	0	142,592
Total Residential		228	198,835	\$1,446	\$27,056	4,306	246,200
Multi-Family	HPwES	0	0	\$0	\$0	0	0
	Direct Installation/MF QHEC	0	217	\$0	\$25	0	383
Total Multifamily		0	217	\$0	\$25	0	383
Home Optimization & Peak Demand Reduction							
Total Other		0	0	\$0	\$0	0	0
Portfolio Total		228	199,052	\$1,446	\$27,081	4,306	246,583
Supportive Costs Outside Portfolio							

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

Energy Efficiency and PDR Savings Summary

South Jersey Gas Annual Report - Appendix D
For Period Ending PY22Q4

		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings	
		A	B	C	D	E	F
		Reported Participation Number YTD		Reported Incentive Costs YTD (\$)		Reported Retail Energy Savings YTD (DTh)	
Business Programs	Sub-Program	Small Commercial	Large Commercial	Small Commercial	Large Commercial	Small Commercial	Large Commercial
C&I Direct Install	Direct Install	10	N/A	\$202	N/A	1,194	N/A
Energy Solutions for Business	Prescriptive/Custom	0	6	\$0	\$192	0	1,064
	Energy Management	0	0	\$0	\$0	0	0
	Engineered Solutions	0	0	\$0	\$0	0	0
Total Business		10	6	\$202	\$192	1,194	1,064
Multi-Family	Prescriptive/Custom	0	0	\$0	\$0	0	0
	Engineered Solutions	0	0	\$0	\$0	0	0
Other Programs		0	0	\$0	\$0	0	0
Home Optimization & Peak Demand Reduction							
Total Other		0	0	\$0	\$0	0	0
Portfolio Total		10	6	\$202	\$192	1,194	1,064
Supportive Costs Outside Portfolio							

Appendix E - South Jersey Gas Energy Efficiency Compliance Baselines and Benchmarks
For Period Ending PY22Q4

Energy Efficiency Compliance Baselines and Benchmarks (therms)												
Gas Utility	Plan Year	Sales Period	Sales (therms)	Adjustments	Adjusted Retail Sales	Compliance Baseline	Overall Annual Energy Reduction Target (%)	Overall Annual Energy Reduction Target (therms)	State-Administered Annual Energy Reduction Target (%)	State-Administered Annual Energy Reduction Target (therms)	Utility-Administered Annual Energy Reduction Target (%)	Utility-Administered Annual Energy Reduction Target (therms)
			(A)	(B)	(C) = (A)-(B)	(D) = Average (C)	(E)	(F) = (E) * (D)	(G)	(H) = (G) * (D)	(I)	(J) = (I) * (D)
South Jersey Gas	2019	7/1/18 - 6/30/19	574,069,243	45,731,813	528,337,431							
	2020	7/1/19 - 6/30/20	529,105,554	42,406,214	486,699,341							
	2021	7/1/20 - 6/30/21	551,325,543	36,813,250	514,512,294							
	Plan Year 2022					509,849,688	0.00%	-	0.00%	-	0.00%	0

Notes:
 (A) Includes sales as reported on FERC Form-2, as adjusted for the given sales period (planning year)
 (B) Includes adjustments to reflect [Electric Generation, etc.]
 (E,G,I) No formal targets established for PY22 in the June 2020 CEA Framework Order

Appendix F – Energy Savings with FY2022 TRM Addendum

For compliance purposes throughout the first triennium, the utilities calculate program savings (collectively, "Primary Metrics") based on a mix of protocols from the FY20 NJCEP Protocols, FY21 NJCEP Protocols Addendum, and TRMs from other states when no applicable NJ-specific measure calculation is available. This mix of protocols is cataloged in the Joint Utility Coordinated Measures List. The EM&V Working Group created the 2022 TRM Addendum to address key non-NJ specific and dated assumptions in the Coordinated Measures List. Program Energy Savings Metrics calculated with the 2022 TRM Addendum are called the "Secondary Metrics". The Secondary Metric values are informational for stakeholders to assess program performance under a more current and NJ-specific measure calculation approach and to inform future program design.

Table F-1 – Sector-Level Energy Savings: Primary Metrics from 2020/21 TRM

Annual Energy Savings ¹	Annual Retail (Dth)	Annual Target Retail Savings (Dth)	Percent of Annual Target
Residential	250,506	184,301	136%
Multi-Family	383	1,801	21%
C&I	2,258	9,841	23%
Reported Totals for Utility Administered Programs	253,146	195,943	129%

Table F-2 – Sector-Level Energy Savings: Secondary Metrics from 2022 TRM Addendum

Annual Energy Savings ¹	Annual Retail (Dth)	Annual Target Retail Savings (Dth)	Percent of Annual Target
Residential	244,972	184,300	133%
Multi-Family	383	1,800	21%
C&I	2,785	9,841	28%
Reported Totals for Utility Administered Programs	248,140	195,941	127%

¹ Annual energy savings represent the total expected annual savings from all energy efficiency measures within each sector, and not only those measures affected by the FY2022 TRM Addendum.

	Primary Metrics - 2020/21 TRM	Secondary Metrics - 2022 TRM
Annual Savings	253,146	248,140
Lifetime Savings	1,910,577	1,813,741

Figure A-1 - Program Year [2022] Portfolio-Level Annual Energy Savings – Primary vs. Secondary Metrics

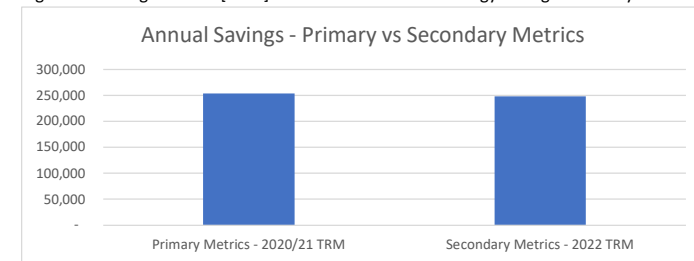
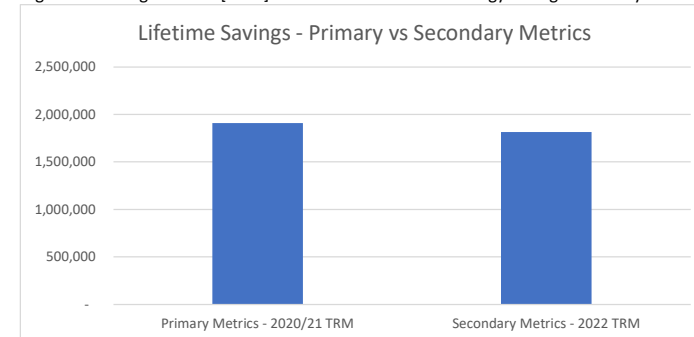


Figure A-2 - Program Year [2022] Portfolio-Level Lifetime Energy Savings – Primary vs Secondary Metrics



Appendix G - Ex-ante Energy Savings held by Utility for Transfer

The following data are presented to provide Board Staff visibility into the full picture of statewide annual ex-ante energy projects in progress, with these energy savings being excluded from data presented in the body of the report. These data are based upon coordinated program projects completed by a lead utility and awaiting transfer to a partner utility. The data presented are estimates and are subject to change during transfer to and verification by partner utilities. Transferred savings and associated costs will be included in partner utility results once allocated by the Statewide Coordination platform.

Estimated Annual Energy Savings Held by (insert Utility name)	
Program	MWh held for transfer
Efficient Products	1,669
Existing Homes	277
C&I Direct Install	8
Multi-Family	5
Total	1,960

Appendix H - Cost Effectiveness Test Details

	Residential (\$)	C&I (\$)	Multi-Family (\$)	Other (Portfolio Admin Costs) (\$)	Total Portfolio (\$)
Total Resource Cost Test (TRC)					
1 Lifetime Avoided Electric Supply Costs	\$ 566,292	\$ 178,330	\$ 4,725	\$ -	\$ 749,347
2 Lifetime Avoided Electric Capacity Costs	\$ 139,026	\$ 52,314	\$ 477	\$ -	\$ 191,817
3 Lifetime Avoided Natural Gas Supply Costs	\$ 6,257,218	\$ 66,607	\$ 2,626	\$ -	\$ 6,326,451
4 Lifetime Merit Order (DRIPE) Benefits	\$ 292,713	\$ 100,730	\$ 1,599	\$ -	\$ 395,043
5 Lifetime REC Avoided Purchases	\$ 269,276	\$ 83,800	\$ 2,220	\$ -	\$ 355,297
6 Lifetime Wholesale Volatility Value	\$ 696,254	\$ 29,725	\$ 783	\$ -	\$ 726,762
7 Lifetime Avoided Replacement	\$ -	\$ -	\$ -	\$ -	\$ -
8 Lifetime Avoided T&D Costs	\$ 12,303,880	\$ 380,595	\$ 16,910	\$ -	\$ 12,701,385
Total Benefit = 1+2+3+4+5+6+7+8	\$ 20,524,659	\$ 892,102	\$ 29,341	\$ -	\$ 21,446,102
9 Lifetime Participant Costs	\$ 5,940,602	\$ 124,908	\$ (5,252)	\$ -	\$ 6,060,258
10 Lifetime Administration Costs	\$ 1,834,540	\$ 616,078	\$ 336,857	\$ 512,993	\$ 3,300,468
11 Lifetime Program Investment Costs	\$ 6,628,848	\$ 223,837	\$ 24,278	\$ -	\$ 6,876,963
Total Costs = 9+10+11	\$ 14,403,990	\$ 964,823	\$ 355,883	\$ 512,993	\$ 16,237,688
Benefit Cost Ratio = (1+2+3+4+5+6+7+8)/(9+10+11)	1.4	0.9	0.1	-	1.3
Participant Cost Test (PCT)					
12 Lifetime Participant Benefits	\$ 24,698,418	\$ 866,115	\$ 40,309	\$ -	\$ 25,604,842
13 Lifetime Repayment Benefits	\$ 4,176,706	\$ 20,659	\$ -	\$ -	\$ 4,197,365
Benefit Cost Ratio = (11+12+13)/9	2.8	3.2	3.4	n/a	2.8
Program Administrator Cost Test (PAC)					
Benefit Cost Ratio = (1+2+3+4+5+6+7+8)/(10+11+13)	1.6	1.0	0.1	-	1.5
Ratepayer Impact Measure Test (RIM)					
14 Lifetime utility Revenue Gained	\$ -	\$ -	\$ -	\$ -	\$ -
15 Lifetime Utility Cost	\$ 12,202,606	\$ 330,738	\$ 16,456	\$ -	\$ 12,549,800
Benefit Cost ratio = (1+2+3+4+5+6+7+8+14)/(10+11+13+15)	0.8	0.7	0.1	-	0.8
Societal Cost Test (SC)					
16 Lifetime Avoided Electric Supply Costs	\$ 689,667	\$ 228,564	\$ 6,056	\$ -	\$ 924,287
17 Lifetime Avoided Electric Capacity Costs	\$ 192,383	\$ 72,022	\$ 656	\$ -	\$ 265,061
18 Lifetime Avoided Natural Gas Supply Costs	\$ 8,178,612	\$ 85,226	\$ 3,059	\$ -	\$ 8,266,896
19 Lifetime Merit Order (DRIPE) Energy Benefits	\$ 381,091	\$ 134,049	\$ 2,078	\$ -	\$ 517,218
20 Natural Gas Demand Reduction Induced Price Effects (DRIPE)	\$ 331	\$ 11	\$ 0	\$ -	\$ 342
21 Avoided RPS REC Purchase Costs	\$ 323,387	\$ 106,098	\$ 2,811	\$ -	\$ 432,296
22 Avoided Wholesale Volatility Costs	\$ 906,066	\$ 38,581	\$ 977	\$ -	\$ 945,624
23 Lifetime Avoided Wholesale T&D Costs	\$ 15,749,048	\$ 484,276	\$ 20,966	\$ -	\$ 16,254,291
24 Lifetime Emission Savings	\$ 7,090,835	\$ 296,664	\$ 8,434	\$ -	\$ 7,395,932
25 Avoided SO ₂ + NO _x Emissions Damages	\$ 2,453,492	\$ 268,572	\$ 7,267	\$ -	\$ 2,729,331
26 Job and Energy Savings Economic Value-Added Multiplier Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Total Benefit = (16+17+18+19+20+21+22+23+24+25+26)	\$ 35,964,912	\$ 1,714,063	\$ 52,305	\$ -	\$ 37,731,279
27 Lifetime Participant Costs	\$ 12,809,903	\$ 355,894	\$ 19,416	\$ -	\$ 13,185,213
28 Lifetime Administration Costs	\$ 1,870,918	\$ 628,294	\$ 343,537	\$ 523,165	\$ 3,365,914
Total Costs = (27+28)	\$ 14,680,821	\$ 984,188	\$ 362,952	\$ 523,165	\$ 16,551,127
Benefit Cost Ratio = (16+17+18+19+20+21+22+23+24+25+26)/(27+28)	2.4	1.7	0.1	-	2.3
New Jersey Cost Test (NJCT)					
29 Lifetime Merit Order (DRIPE) Capacity Benefits	\$ 381,091	\$ 134,049	\$ 2,078	\$ -	\$ 517,218
30 Lifetime Avoided Ancillary Services Costs ¹	\$ -	\$ -	\$ -	\$ -	\$ -
31 Lifetime Avoided Replacement	\$ -	\$ -	\$ -	\$ -	\$ -
32 Lifetime Non Energy Benefits	\$ 1,259,540	\$ 50,207	\$ 1,641	\$ -	\$ 1,311,388
33 Low-Income Adder	\$ 96,944	\$ -	\$ -	\$ -	\$ 96,944
Total Benefit = 16+17+18+23+24+29+30+31+32+33	\$ 33,638,120	\$ 1,351,007	\$ 42,890	\$ -	\$ 35,032,017
Benefit Cost Ratio = (16+17+18+23+24+29+30+31+32)/(27+28)	2.3	1.4	0.1	-	2.1

¹: Included in item 16

Appendix I – Program Changes

Program	Summary of Program Changes
Efficient Products	In the first quarter, the Energy Efficiency program website and applications were made available in Spanish to allow for greater customer participation. No additional changes were made in subsequent quarters.
Existing Homes	In the first quarter, the Energy Efficiency program website and applications were made available in Spanish to allow for greater customer participation. No additional changes were made in subsequent quarters.
Multi-Family	In the first quarter, the Energy Efficiency program website and applications were made available in Spanish to allow for greater customer participation. No additional changes were made in subsequent quarters.
C&I Direct Install	In the first quarter, the Energy Efficiency program website and applications were made available in Spanish to allow for greater customer participation. No additional changes were made in subsequent quarters.
Energy Solutions for Business	In the first quarter, the Energy Efficiency program website and applications were made available in Spanish to allow for greater customer participation. No additional changes were made in subsequent quarters.
Behavioral	N/A