

**IN THE MATTER OF THE IMPLEMENTATION OF P.L.
2018, c. 17 REGARDING THE ESTABLISHMENT OF
ENERGY EFFICIENCY AND PEAK DEMAND
REDUCTION PROGRAMS, ET SEQ. (“EE FRAMEWORK”)**

DOCKET NOS. QO19010040, QO19060748 & QO17091004

VIA ELECTRONIC MAIL

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

Re: Docket No. QO19010040, QO19060748, QO17091004
Rockland Electric Company’s EE Program Annual Progress
Report for Program Year 2023

Dear Secretary Golden:

Pursuant to the Board of Public Utilities’ (“Board” or “BPU”) current filing procedures, Rockland Electric Company (“RECO” or the “Company”) submits its Annual Progress Report for Program Year 2023 (“PY23”) for its Clean Energy Act of 2018 Energy Efficiency (“EE”) and Peak Demand Reduction (“PDR”) Programs.

Energy Efficiency Program Progress - Executive Summary:

RECO has closed out the PY23 EE program portfolio achieving 140% of the annual target. The Company has increased quarter-over-quarter participation rates and developed a pipeline of energy savings for program year 2024 (“PY24”). In addition, the Company has achieved 100% of its cumulative PY22 and PY23 target and is on target to achieve 100% of its cumulative three-year goal.

The strongest performing programs under RECO’s portfolio continue to be the Residential Efficient Products (“EP”) and Commercial & Industrial Rebate (“C&I”) programs. The EP program’s performance was driven primarily by the Retail Lighting and Behavioral subcomponents, while the C&I program’s performance was driven primarily by the Prescriptive/Custom subcomponent. Two other program subcomponents, the Online Marketplace in the EP program, and Instant Lighting Incentive Program (“ILIP”) in the C&I program are now

performing as expected as RECO residential customers shop for energy efficient products receiving instant rebates on checkout. The ILIP subcomponent has twenty-two distributors providing businesses with instant rebates on LED lighting products. The Online Marketplace has a NPS score of 73 which is on par with ecommerce platforms like Amazon and Netflix and continues to add a variety of energy efficient products and saving customers energy.

Over the course of the year, RECO focused on strengthening infrastructure and expanding relationships with program partners needed to achieve annual energy savings targets in coordination with other New Jersey Utilities and expanding energy efficiency offerings for the Company's customers. RECO expanded marketing and outreach efforts to engage residential and commercial customers by increasing awareness of program offerings and the long-term benefits of participating in energy efficiency programs. In PY23, residential and C&I customers took advantage of zero interest financing to address the up-front capital barriers to invest in higher cost energy efficient products.

RECO continued to coordinate program implementation with the NJ utilities for Core program delivery to align programs across the state. The Quick Home Energy Check-up ("QHEC") and Home Performance with ENERGY STAR ("HPwES") have now ramped up and are expected to have the first project completions in early PY24. The Commercial Direct Install program expanded its contractor network to increase program participation in this hard-to-reach segment.

RECO also continued a broad EE education and awareness campaign using a variety of tools including customer bill inserts, newsletters, e-mail blasts, and social media to communicate the available energy savings and incentive opportunities through program participation. For example, the Company released e-mail blasts to announce seasonal and limited time offers on the online Marketplace. These offers often paired manufacturer rebates with utility rebates at time of check out to increase program participation. Demand response program offerings are also cross promoted on the Marketplace, increasing participation in the residential Bring Your Own Thermostat Program.

Finally, RECO continues to expand its network of participating contractors and held an energy awards event to acknowledge those contractors who best represent the intentions and increase awareness of the Company's programs. The Company plans to make this awards event an annual occurrence. The Company held virtual webinars to recruit and train new lighting and heating, ventilation, and air conditioning ("HVAC") contractors for the C&I program.

Table 1 below shows the Company's overall performance as a percentage of retail sales, which includes retail sales reductions achieved by the Comfort Partners program. This is the primary program serving low-income customers and is co-managed by the New Jersey Division of Clean Energy in conjunction with RECO and the other investor-owned electric and gas utilities. Also included in the table are RECO's two Pilot programs: Peak Demand Reduction and Clean Heat Beneficial Electrification.

The Board's Order Directing the Utilities to Establish Energy Efficiency and Peak Demand Reduction Programs, dated June 10, 2020, in Docket Nos. QO19010040, QO19060748 and QO17091004, established specific energy use reduction requirements for PY23. RECO exceeded its energy savings target under budget by managing costs and increasing awareness of programs. This program momentum has set RECO up for success in PY24.

Table 1 – Program Year 2023 Program Results

For Period Ending PY23Q4	Utility-Administered Programs ex-ante energy savings (MWh)	Comfort Partners ex-ante energy savings (MWh)	Other Programs ex-ante energy savings (MWh) ¹	Total ex-ante energy savings (MWh)	Compliance Baseline (MWh) ²	Annual Target (%)	Annual Target (MWh)	Percent of Annual Target (%)
	(A)	(B)	(C)	(D) = (A)+(B)+(C)	(E)	(F)	(G) = (E)*(F)	(H) = (D) / (G)
Quarter	2,496	17	0	2,513				
YTD	15,554	41	0	15,595	1,507,281	0.74%	11,154	140%

¹ RECO does not have any legacy energy efficiency programs.

² Calculated as average annual electricity usage in the prior three calendar years per N.J.S.A. 48:3-87.9(a). Details are provided in Appendix E.

Pursuant to paragraph 16(e)(i) of the July 7, 2022, Stipulation and Agreement among the Utilities, Staff, and Rate Counsel, “the Utilities may apply energy savings in excess of annual compliance goals (‘Carryover Savings’) toward goals and QPIs for Program Years 2023, 2024, and 2025.” The Board adopted the Stipulation and Agreement in its Order Approving Stipulation entered on August 17, 2022, in BPU Docket Nos. QO19010040, EO20090621, GO20090619, EO20090620, GO20090622, GO18101112, EO18101113, EO20090623, and GO20090618.

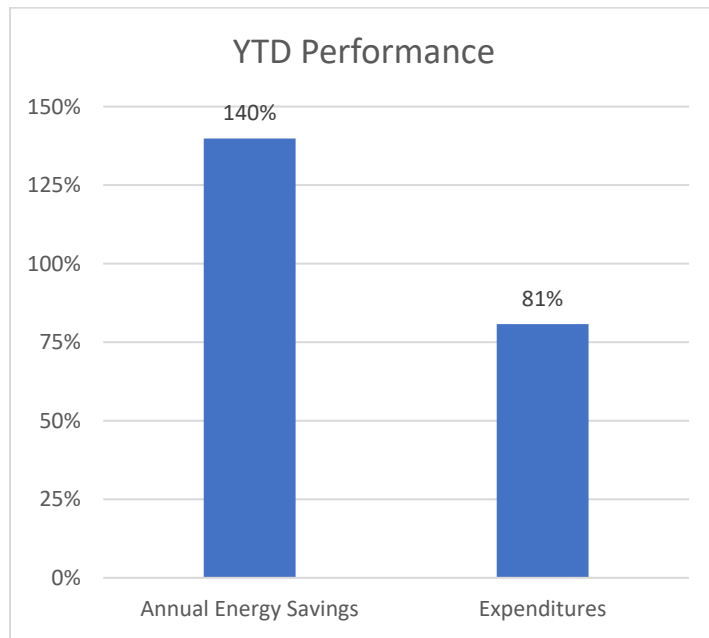


Figure 1: PY23 Performance of Annual Energy Savings and Budget

The quantitative performance indicators (“QPIs”) established by the Board are intended to guide the utilities to design EE and PDR programs that are cost effective, as measured using the Utility Cost Test, and achieve the annual energy savings targets with a significant focus on deeper energy conservation measures (“ECMs”) that have a long-lasting impact on the customers’ premises. RECO achieved 15,595 MWh of the 11,154 MWh annual energy savings target and 177,439 MWh of the 159,694 MWh lifetime energy saving target for PY23. The installation of longer life measures became more prevalent in PY23, and the Company expects to continue this trend as comprehensive programs gain momentum. Specifically, Home Performance with ENERGY STAR, Moderate-Income Weatherization programs, and Commercial Custom programs which target comprehensive improvements are expected to increase participation in PY24, resulting in increased total lifetime energy savings.

Table 2 below sets forth the results of the QPIs for all programs for which utilities are responsible, inclusive of the CEA-funded programs and Comfort Partners program.

Table 2 – Quantitative Performance Indicators

	Quarter				Year to Date				Annual Target ¹	Percent of Annual Target Achieved
	Utility-Administered Quarterly Results	Comfort Partners Plan Quarterly Results	Other Programs Plan Quarterly Results	Total Plan Quarterly Results	Utility-Administered Plan Year Results	Comfort Partners Plan Year Results	Other Programs Plan Year Results	Total Plan Year Results		
Annual Energy Savings (MWh)	2,496	17	0	2,513	15,554	41	0	15,595	11,154	140%
Lifetime Savings (MWh)	25,821	263	0	26,084	176,796	643	0	177,439	159,694	111%
Annual Demand Savings (MW)	0.24	0.00	0.00	0.24	4.36	0.00	0.00	4.37		
Lifetime Persisting Demand Savings (MW-year) ²	2.99	0.03	0.00	3.02	30.85	0.06	0.00	30.91		
Low/Moderate-Income Lifetime Savings (MWh) ³	0	263	0	263	2,320	643	0	2,963		
Small Commercial Lifetime Savings (MWh) ⁴	13,315		0	13,315	88,793		0	88,793		
Net Present Value of Utility Cost Test Net Benefits (\$) ⁵					\$1,306,417			\$1,306,417		

1 - Annual Targets reflect estimated impacts as filed the Company's 2021-2024 Clean Energy Filing

2 - Reflects Annual Demand Savings (excluding from DR pilot program) multiplied by the Effective Useful Life of installed equipment

3 - Low/Moderate-Income lifetime savings are provided separately for Comfort Partners and 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 (<200 kW peak demand) in other programs.

5 - Cost Effectiveness impacts are not calculated for Comfort Partners or Other Programs

Sector-Level Participation, Expenditures, and Energy Savings:

- **Residential Programs Sector Summary:**

RECO's Residential programs sector achieved 6,829 MWh of electric energy savings during PY23 or 138% of forecast at a cost of approximately \$783K or 41% of the Residential sector's allocated budget. This achievement was primarily due to the Retail Lighting subprogram which provides instant midstream rebates to customers who shop for general service and specialty LED lamps at qualifying retailers. The sustained performance over PY23 was due to the Company's effort to maintain strong relationships with major retailers in its service territory and residential customer's response to energy tips in the behavioral subprogram. However, with the expected discontinuation of the Retail Lighting Program in early PY24, we anticipate the comprehensive programs becoming a larger contributor to achievement of the sector's goals and thereby increasing the overall cost-to-achieve.

The Online Marketplace and Behavioral subprograms continue to be strong contributors for RECO's overachievement of its residential customer participation forecast¹ for the year. These programs require direct customer engagement via e-mail, print, and digital communications. Using the data analytics on how customers are responding to these outreach communications, the Company expects this success to continue through the remainder of the triennium.

The Moderate-Income Weatherization ("MIWx") program achieved its first wave of energy savings in PY23 due to a successful Foodbank outreach initiative. However, this program has not yet installed the more comprehensive projects to date but is expected to increase applications in PY24. Similarly, HPwES did not achieve energy savings during PY23 due to delayed contractor engagement in a hard-to-reach customer segment. This program also requires a longer lead time to obtain customer commitment because it covers a broad range of home improvement measures and unique target marketing. Entering PY24, there is a pipeline of projects that will contribute to program growth.

- **Multifamily Program Summary:**

RECO's Multifamily Program did not achieve energy savings in PY23. RECO's residential customer demographic overwhelmingly consists of suburban single-family homes which makes it difficult to find and recruit larger multi-unit buildings for program participation for which the program was designed for.

¹ RECO's annual forecast of 2,702 participants assumed a definition for participants in the Online Marketplace and Retail Lighting subprograms as the quantity of unique customers rather than the quantity of ECM units sold. The latter being the accepted participant definition as indicated in Appendix A.

This lack of performance is primarily due to the low volume of Multifamily housing in the Company’s service territory and long sales cycle to enroll property owners. RECO worked closely with our program implementor and expanded marketing tactics to better engage property owners and anticipates having reportable energy savings for the second quarter of PY24.

- **Commercial & Industrial Sector Summary:**

RECO’s C&I sector programs achieved 8,680 MWh of electric energy savings during PY23, or 137% of forecast, at a cost of approximately \$3,433K or 133% of the sector’s allocated budget. This achievement was primarily due to the C&I Prescriptive/Custom subprogram which provides rebates to customers who utilize a qualified contractor to perform ECMs related to the lighting, controls, or HVAC systems within their existing facility along with Midstream Lighting or Instant Lighting Incentive program (“ILIP”). PY23 saw significant growth in participation due to the Company’s effort to recruit additional installation contractors to its qualified network and lighting distributors incorporating the midstream model into their day-to-day business.

The Commercial Direct Install Program achieved savings in PY23. This success is due to the high incentive offerings and turnkey direct installation approach which is attractive for small business customers who do not typically have the time and resources to spend on energy efficiency projects. This program has expanded its installation contractor network and is expected to achieve its target in PY24.

Table 3 below highlights the sector-level participation for the final quarter of PY23 and cumulative totals for the year.

Table 3 – Sector-Level Participation

Sector ¹	Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential ²	39,369	63,847	2,702	2363%
Multifamily	-	-	28	0%
C&I	18	177	317	56%
Peak Demand Reduction ³	204	18,699	1,008	1855%
Clean Heat Beneficial Electrification	3	4	144	3%
Reported Totals for Utility Administered Programs	39,594	82,727	4,199	1970%
Comfort Partners	14	32	37	86%
Utility Total	39,608	82,759	4,236	1954%

1 - Note that these numbers are totals across all programs within a Sector. Appendix B shows the participation results for individual programs or offerings.

2 - Residential sector participation is heavily driven by the Behavioral (aka “Home Energy Reports” or “HER”) Program. HER participation is defined as the cumulative count of treatment group customers enrolled. At the start of the program year the treatment group contains approximately 50% of all RECO’s residential customers, but it slightly subsides each month as customers opt-out of the program.

3 - Peak Demand Reduction sector participation is heavily driven by the Bring Your-Own Thermostat (“BYOT”) and Behavioral Demand Response programs. Participation in these programs is defined as the cumulative count of customers enrolled. As such, the size of the enrollment pool will ebb and flow each month as new customers join, and existing customers drop out.

Table 4 below highlights the sector-level expenditures for the final quarter of PY23 and cumulative totals for the year. RECO submitted a Budget Reallocation Notice² to BPU Staff which shifts approximately \$1.6M from the Core programs within the Residential, Multifamily, and Pilot sectors into the Core programs within the C&I sector in accordance with the allowed budget flexibility rules³. RECO did not experience any adjustments to budgets or incentives that required Board Staff or Board approvals.

Table 4 – Sector-Level Expenditures

Expenditures ¹	Quarter Expenditures (\$000)	YTD Expenditures (\$000)	Annual Budget Expenditures (\$000)	Percent of Annual Budget
Residential	\$104	\$783	\$1,920	41%
Multifamily	\$11	\$52	\$395	13%
C&I	\$351	\$3,433	\$2,582	133%
Peak Demand Reduction	\$90	\$364	\$378	96%
Clean Heat Beneficial Electrification	\$44	\$118	\$607	19%
Reported Totals for Utility Administered Programs	\$601	\$4,750	\$5,882	81%
Comfort Partners	\$48	\$127	\$311	41%
Utility Total	\$649	\$4,877	\$6,194	79%

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

Table 5 below highlights the sector-level energy savings for the final quarter of PY23 and cumulative totals for the year. RECO’s Residential sector achieved 138% of its annual forecast while expending 41% of its budget. Much of this success is attributed to the midstream Retail Lighting, Behavioral and Online Marketplace initiatives. The Company will continue to maximize these initiatives in PY24 to include additional ECMs for residential customers in retail stores and on the Marketplace. RECO is developing a multi-pronged marketing campaign to promote residential comprehensive programs, like HPwES and MIWx, in PY24 and to generate momentum for Triennium 2. RECO will continue to focus efforts with its program implementor to deliver programs and educate customers, contractors, and retailers on the full suite of residential programs.

RECO’s Multifamily sector did not achieve energy savings but incurred marketing and administration costs which comprised 13% of the allocated annual budget.

² RECO Budget Reallocation Notice filed on February 8, 2023.

³ A utility may shift its subprogram budgets out of an individual sub-program within the Residential sector or within the Commercial sector, up to 25% of the individual sub-program’s total budget with Staff notification (which should be provided within 30 days following the change), 25-50% with Staff approval, and over 50% with Board approval. A utility may also shift budgets out of the Residential sector or the Commercial sector up to 5% of the individual utility sector budgets with Staff notification, (which should be provided within 30 days following the change), 5-10% with Staff approval, and over 10% with Board approval.

RECO’s C&I sector achieved 137% of its annual forecast while spending 133% of its annual budget as this sector experienced larger than expected projects from its top performing subprograms.

Table 5 –Sector-Level Energy Savings

Annual Energy Savings ¹	Quarter Retail (MWh)	YTD Retail (MWh)	Annual Target Retail Savings (MWh)	Percent of Annual Target
Residential	1,565	6,829	4,944	138%
Multifamily	-	-	346	0%
C&I	894	8,680	6,337	137%
Peak Demand Reduction	-	-	-	0%
Clean Heat Beneficial Electrification	37	44	1,021	4%
Reported Totals for Utility Administered Programs	2,496	15,554	11,627	134%
Comfort Partners	17	41	NA	NA
Utility Total	2,513	15,595	11,627	134%

¹ Annual energy savings represent the total expected annual savings from all EE measures within each Sector. Appendix B sets forth the annual energy savings results for individual programs or offerings.

² Clean Heat Pilot’s achieved MWh savings are converted from its MMBtu value, but they are not included in the portfolio’s total MWh target. Total MWh target represented here is based on the filed program-level values for PY23 and not the adjusted value computed in Appendix E and represented in Tables 1 and 2.

Portfolio Expenditures Breakdown:

RECO spent a total of \$4.763M during PY23 or 81% of the annual budget. This expenditure includes incentives and implementation, which represent just under 86% of the total expense. The remaining 14% of the budget expenditure covered various overhead and support functions including marketing, program administration, Evaluation, Measurement & Verification (“EM&V”), and quality control inspections.

Total Utility EE/PDR	Quarter Reported (\$000)	YTD Reported (\$000)	Full Year Budget (\$000)	Percent of Annual Budget Spent
Capital Costs				
Utility Administration	\$100	\$386	\$332	116%
Marketing	\$21	\$125	\$177	71%
Outside Services	\$95	\$646	\$1,285	50%
Rebates	\$385	\$3,448	\$3,340	103%
No- or Low-Interest Loans	\$0	\$0	\$471	0%
Evaluation, Measurement & Verification ("EM&V")	\$0	\$145	\$241	60%
Inspections & Quality Control	\$0	\$0	\$36	0%
State-Wide Coordinator	\$12	\$13	NA	NA
Utility Total	\$612	\$4,763	\$5,882	81%

¹ Categories herein align to RECO’s EE plan as approved by the BPU and excludes Comfort Partners.

Equity Metrics:

These equity metrics draw from the considerable work of the New Jersey Office of Environmental Justice's Overburdened Community (“OBC”) designations. Pursuant to 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 met,⁴ and metrics reported herein reflect further direction from Board Staff.⁵

RECO’s service territory reflect that just over two percent of its census block groups and less than three percent of the customer population meet the definition of an OBC. In addition, due to the suburban/rural landscape of the Company’s service territory, there are limited local organizations that typically serve these communities. For PY24, RECO’s marketing plan will expand our efforts to reach OBCs by engaging community leaders, faith-based organizations, and other organizations including those comprised of underrepresented individuals. 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. The Company will continue to explore other means to conduct outreach to LMI customers through targeted marketing including bill inserts and postcards. RECO is also working with the NJ Utilities along with the Workforce Development and Equity Working Groups to coordinate with local organizations to ensure the needs of this community are met.

⁴ N.J.S.A. 13:1D-157 provides that (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.

⁵ Per guidance from Board Staff, Overburdened Communities as used in Table 6 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	%OBC2				
Population	1,664	71,720	2.3%				
# of Household Accounts	1,397	63,214	2.2%				
# of Business Accounts	286	8,487	3.3%				
Total Annual Energy (MWh)	28,051	1,504,283	1.8%				
	Type of Program/Offering	Quarter Overburdened ¹	Quarter Non-Overburdened	%OBC2	Annual Overburdened ¹	Annual Non-Overburdened	%OBC2
Participation							
Residential - Behavioral	Core	760	34,378	2.2%	760	34,378	2.2%
Residential - Other Efficient Products	Core	12	4,219	0.3%	196	25,009	0.8%
Residential - HPwES and Quick Home Energy Checkups	Core	0	0	0.0%	0	0	0.0%
Residential - Income-Eligible Weatherization	Core	0	0	0.0%	0	3,504	0.0%
C&I - Direct Install	Core	0	9	0.0%	0	52	0.0%
C&I - Prescriptive/Custom, Midstream, Energy Solutions	Core	0	9	0.0%	0	125	0.0%
Multi-Family	Core	0	0	0.0%	0	0	0.0%
Total Core Participation		772	38,615	2.0%	956	63,068	1.5%
Peak DR -Behavioral DR	Additional	0	0	0.0%	370	16,755	2.2%
Peak DR - BYOT, CSRP	Additional	2	202	1.0%	12	1,562	0.8%
Clean Heat Beneficial Electrification	Additional	0	3	0.0%	0	4	0.0%
Comfort Partners	Joint	3	11	22.2%	6	26	19.4%
Total Non-Core Participation		5	216	2.3%	388	18,347	2.1%
Total Participation		777	38,831	2.0%	1,344	81,415	1.6%
Expenditures							
Residential - Behavioral	Core	\$29	\$1,329	2.2%	\$29	\$1,329	2.2%
Residential - Other Efficient Products	Core	\$86	\$83,237	0.1%	\$3,947	\$602,875	0.7%
Residential - HPwES and Quick Home Energy Checkups	Core	\$0	\$19,681	0.0%	\$0	\$112,966	0.0%
Residential - Income-Eligible Weatherization	Core	\$0	\$0	0.0%	\$0	\$61,492	0.0%
C&I - Direct Install	Core	\$0	\$185,121	0.0%	\$0	\$1,007,222	0.0%
C&I - Prescriptive/Custom, Midstream, Energy Solutions	Core	\$0	\$166,090	0.0%	\$0	\$2,425,562	0.0%
Multi-Family	Core	\$0	\$11,250	0.0%	\$0	\$52,492	0.0%
Total Core Expenditures		\$115	\$466,708	0.0%	\$3,976	\$4,263,938	0.1%
Peak DR -Behavioral DR	Additional	\$122	\$5,503	2.2%	\$1,590	\$71,934	2.2%
Peak DR - BYOT, CSRP	Additional	\$811	\$83,536	1.0%	\$2,260	\$288,478	0.8%
Clean Heat Beneficial Electrification	Additional	\$0	\$43,939	0.0%	\$0	\$117,683	0.0%
Comfort Partners	Joint	\$11,414	\$36,361	23.9%	\$20,604	\$106,120	16.3%
Total Non-Core Expenditures		\$12,347	\$169,339	6.8%	\$24,453	\$584,216	4.0%
Total Expenditures		\$12,462	\$636,047	1.9%	\$28,429	\$4,848,154	0.6%
Annual Energy Savings (MWh)							
Residential - Behavioral	Core	19	846	2.2%	51	2,329	2.2%
Residential - Other Efficient Products	Core	1	700	0.1%	24	3,850	0.6%
Residential - HPwES and Quick Home Energy Checkups	Core	0	0	0.0%	0	0	0.0%
Residential - Income-Eligible Weatherization	Core	0	0	0.0%	0	576	0.0%
C&I - Direct Install	Core	0	229	0.0%	0	1,209	0.0%
C&I - Prescriptive/Custom, Midstream, Energy Solutions	Core	0	665	0.0%	0	7,471	0.0%
Multi-Family	Core	0	0	0.0%	0	0	0.0%
Total Core Annual Energy Savings		20	2,440	0.8%	75	15,435	0.5%
Peak DR -Behavioral DR	Additional	0	0	0.0%	0	0	0.0%
Peak DR - BYOT, CSRP	Additional	0	0	0.0%	0	0	0.0%
Clean Heat Beneficial Electrification	Additional	0	37	0.0%	0	44	0.0%
Comfort Partners	Joint	5	12	30.5%	9	32	20.8%
Total Non-Core Annual Energy Savings		5	49	9.7%	9	76	10.0%
Total Annual Energy Savings		25	2,489	1.0%	83	15,511	0.5%

¹ Across all programs, participation/expenditures/savings are classified as either in an Environmental Justice OBC census block or not based on the program participant's address. OBC census blocks were developed and defined by the NJ Department of Environmental Protection (www.nj.gov/dep/ej/communities.html). The OBC census blocks are defined using three criteria: (1) at least 35% of households qualify as low-income, (2) at least 40% of residents identify as minority, and (3) at least 40% of

households have limited English proficiency. If any of the three criteria is satisfied, the census block is defined as OBC. Board 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) with 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 the OBC designation determined to be active immediately preceding the current Plan Year.

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

⁵ Efficient Products Program, Lighting participants represent sales of products originating from stores located within an OBC.

This metric is not intended to identify individual participants who reside in OBCs, but rather the proportion of retail lighting sales stemming from locations serving OBCs aligned to Board Staff's modifications.

⁶ Individual line items or totals as listed in the OBC table may differ slightly from those results in Appendix B table due to rounding.

Benefit-Cost Test Results:

Table 8 below provides the cost-effectiveness of RECO’s Core and Pilot programs during PY23 against the forecasted estimates provided in its 2021 – 2024 Clean Energy Filing⁶ for which the Company served as the Lead Utility, consistent with the treatment of cost effectiveness by all NJ Utilities. The second-year results are typical for developing programs and in line with Company expectations based on saving performance. The overall portfolio was more cost effective than anticipated, a direct result of increased program savings in program year 2, and effective program cost management.

Table 8 – Benefit-Cost Test Results

	Initial (Filed)						PY23 Final					
	NJCT	PCT	PACT	RIMT	TRCT	SCT	NJCT	PCT	PACT	RIMT	TRCT	SCT
Residential Efficient Products	4.05	5.74	2.15	0.67	2.14	3.95	5.84	6.43	0.63	0.55	3.14	5.77
Home Performance with Energy Star	0.71	0.17	1.29	0.61	0.36	0.70	0.09	0.10	0.36	0.35	0.04	0.09
Multi-Family	1.19	1.82	0.25	0.19	0.57	1.18	0.00	1.00	0.00	0.00	0.00	0.00
Small Business Direct Install	2.10	2.40	1.04	0.44	1.11	2.04	1.75	1.73	0.79	0.67	1.13	1.73
Commercial and Industrial Rebate	2.58	2.98	2.18	0.68	1.51	2.50	4.29	3.93	0.95	0.71	2.70	4.25
EE Portfolio	1.58	1.20	1.56	0.59	0.84	1.54	1.96	1.88	0.78	0.63	1.17	1.94
Peak Demand Reduction	2.07	1.00	1.97	1.97	1.97	2.07	3.36	n/a	2.42	2.42	3.20	3.36
Clean Heat Beneficial Electrification	1.17	4.35	0.08	0.08	0.63	1.17	0.12	0.50	0.15	0.16	0.12	0.21

Program Updates:

RECO will continue to incorporate best practices for offered programs and in coordination with the NJ Utilities. The Company anticipates the use of limited time offers and promotions to accelerate programs and to engage hard-to-reach customers without changes to the Core programs established in its 2021-2024 Clean Energy Filing.

⁶ Appendix I – Benefit Cost Analysis, *In the Matter of the Petition of Rockland Electric Company for Approval of Its Energy Efficiency and Peak Demand Reduction Programs*, Docket No. EO20090623, filed on September 25, 2020.

Conclusion:

RECO's portfolio produced significant energy savings in PY23 while remaining under the anticipated budgets with a NJCT cost-effectiveness score of 1.96 demonstrating the effectiveness of marketing campaigns and the increased customer engagement in PY23. This budget savings is a direct result of the retail lighting subprogram which will no longer deliver savings in PY24 as residential lighting baselines transform. Both the residential and commercial portfolios outperformed energy savings expectations that the Company initially established in its 2021-2024 Clean Energy Filing. The Company will expand on this success and continue to engage with customers to increase their awareness of program offerings and highlight the long-term benefits of participation. The Company looks forward to continued collaboration with Board Staff, NJ Utilities, and stakeholders in achieving the State's energy savings goals while maintaining momentum through the first Triennium period.

Please contact the undersigned should you have any questions or concerns regarding this report.

Respectfully submitted,

/s/ Philip Madnick

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List of Appendices

The bolded appendices in list below 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**
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- **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 - Midstream	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
	HPwES	Count of completed HPwES projects

Multifamily	Direct Install	Count based on number of projects completed (see approach)
	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

Appendix B – Energy Efficiency and PDR Savings Summary (part 1)

For Period Ending PY23Q4		Participation				Actual Expenditures			
		A	B	C	D=C/B	E	F	G	H=G/F
		Quarter	Annual Forecasted Participation Number	YTD Reported Participation Number	YTD % of Annual Participants	Quarter (\$000)	Annual Forecasted Program Costs (\$000) ¹	YTD Reported Program Costs (\$000)	YTD % of Annual Budget
Residential Programs	Sub Program								
Efficient Products*	Appliance Recycling/Rebate, Retail Lighting, Marketplace, Midstream HVAC	4,231	1,911	25,205	1319%	\$83		\$607	
	Behavioral	35,138	NA	35,138	NA	\$1	\$1,083	\$1	56%
Existing Homes*	Home Performance with Energy Star, Quick Home Energy Check	0	729	0	0%	\$20	\$545	\$113	21%
	Moderate Income Weatherization	0	62	3,504	5652%	\$0	\$292	\$61	21%
Total Residential		39,369	2,702	63,847	2363%	\$104	\$1,920	\$783	41%
Business Programs	Sub-Program								
C&I Direct Install*	N/A	9	103	52	50%	\$185	\$1,369	\$1,007	74%
C&I Rebate Program*	Prescriptive/Custom, Energy Management, Engineered Solutions, Midstream Lighting/HVAC	9	214	125	58%	\$166	\$1,213	\$2,426	200%
Total Business		18	317	177	56%	\$351	\$2,582	\$3,433	133%
Multi-Family*	N/A	0	28	0	0%	\$11	\$395	\$52	13%
Pilot Programs	Sub Program								
Peak Demand Reduction	Bring Your Own Thermostat, Commercial System Relief Program	204	1,008	1,574	156%	\$84		\$291	
	Behavioral DR	0	NA	17,125	NA	\$6	\$378	\$74	96%
Clean Heat Beneficial Electrification**	N/A	3	144	4	3%	\$44	\$607	\$118	19%
Total Pilot		207	1,152	18,703	1624%	\$134	\$985	\$482	49%
NJCEP Comfort Partners	N/A	14	37	32	86%	\$48	\$311	\$127	41%
Supportive Costs Outside Portfolio***						\$12		\$13	
Portfolio Total		39,608	4,236	82,759	1954%	\$660	\$6,194	\$4,890	79%

¹ Annual Forecasted Program Costs reflect values anticipated in Board-approved Utility EE/PDR proposals and may incorporate budget adjustments as provided for in the June 10, 2020 Board Order.

² Wholesale savings at the gross wholesale level include retail savings plus marginal line losses, using approved line loss factor in utility's tariff grossed up by 1.5, per the Avoided Cost Methodology in the NJ Cost Test.

* 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.

** Savings are in captured in MMBtu and converted to MWh here

***Supportive Costs include the Statewide Coordinator

Appendix B – Energy Efficiency and PDR Savings Summary (part 2)

For Period Ending PY23Q4		Ex Ante Energy Savings							
		I	J	K	L=K/J	M	N	O	P
		Quarter Annual Retail Energy Savings (MWh)	Annual Forecasted Retail Energy Savings (MWh)	YTD Reported Retail Energy Savings (MWh)	YTD % of Annual Energy Savings	Reported Wholesale Energy Savings ² (MWh)	YTD Peak Demand Savings (MW)	Quarter Lifetime Savings (MWh)	YTD Lifetime Savings (MWh)
Residential Programs	Sub Program								
Efficient Products*	Appliance Recycling/Rebate, Retail Lighting, Marketplace, Midstream HVAC	700		3,874		4,007	0.32	9,799	55,687
	Behavioral	865	4,113	2,380	152%	2,462	0.00	865	2,380
Existing Homes*	Home Performance with Energy Star, Quick Home Energy Check	0	726	0	0%	0	0.00	0	0
	Moderate Income Weatherization	0	105	576	548%	596	0.04	0	2,303
Total Residential		1,565	4,944	6,829	138%	7,065	0.36	10,664	60,370
Business Programs	Sub-Program								
C&I Direct Install*	N/A	229	2,304	1,209	52%	1,251	0.28	3,337	17,918
C&I Rebate Program*	Prescriptive/Custom, Energy Management, Engineered Solutions, Midstream Lighting/HVAC	665	4,033	7,471	185%	7,729	1.70	9,978	96,298
Total Business		894	6,337	8,680	137%	8,980	1.98	13,315	114,216
Multi-Family*	N/A	0	346	0	0%	0	0	0	0
Pilot Programs	Sub Program								
Peak Demand Reduction	Bring Your Own Thermostat, Commercial System Relief Program						1.55		
	Behavioral DR						0.47		
Clean Heat Beneficial Electrification**	N/A	37	1,021	44	4%	45	0.00	1,842	2,210
Total Pilot		37	1,021	44	4%	45	2.02	1,842	2,210
NJCEP Comfort Partners	N/A	17	NA	41	NA	42	0.00	263	643
Supportive Costs Outside Portfolio***									
Portfolio Total		2,513	11,627	15,595	134%	16,133	4.37	26,084	177,439

¹ Annual Forecasted Program Costs reflect values anticipated in Board-approved Utility EE/PDR proposals and may incorporate budget adjustments as provided for in the June 10, 2020 Board Order.

² Wholesale savings at the gross wholesale level include retail savings plus marginal line losses, using approved line loss factor in utility's tariff grossed up by 1.5, per the Avoided Cost Methodology in the NJ Cost Test.

* 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.

** Savings are in captured in MMBtu and converted to MWh here

***Supportive Costs include the Statewide Coordinator

Appendix C - Energy Efficiency and PDR Savings Summary, LMI Customers

For Period Ending PY23Q4		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings	
		A	B	C	D	E	F
		YTD Reported Participation Number		YTD Reported Incentive Costs (\$000)		YTD Reported Retail Energy Savings (MWh)	
Residential Programs	Sub Program	LMI	Non-LMI or Unverified	LMI	Non-LMI or Unverified	LMI	Non-LMI or Unverified
Efficient Products	Appliance Recycling/Rebate, Retail Lighting, Marketplace, Midstream HVAC Behavioral	8	25,197	\$0.1	\$300.1	1	3,872
		N/A	35,138	N/A	\$0.0	N/A	2,380
Existing Homes	Home Performance with Energy Star, Quick Home Energy Check	0	0	\$0.0	\$0.0	0	0
	Moderate Income Weatherization	3,504	N/A	\$20.4	N/A	576	N/A
Total Residential		3,512	60,335	\$20.5	\$300.1	577	6,252
Multi-Family	N/A	0	0	\$0.0	\$0.0	0	0
Pilot Programs	Sub Program						
Peak Demand Reduction	Bring Your Own Thermostat, Commercial System Relief Program	2	1,572	\$0.2	\$190.7	N/A	N/A
	Behavioral DR	N/A	17,125	N/A	\$0.0	N/A	N/A
Clean Heat Beneficial Electrification	N/A	0	4	\$0.0	\$26.1	0	44
Total Pilot		2	18,701	\$0.2	\$216.7	0	44
NJCEP Comfort Partners	N/A	32	N/A	\$61.9	\$0.0	41	0
Supportive Costs Outside Portfolio				\$0.0	\$0.0		
Portfolio Total		3,546	79,036	\$82.6	\$516.8	618	6,296

Appendix D - Energy Efficiency and PDR Savings Summary, Business Customers

For Period Ending PY23Q4		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings	
		A	B	C	D	E	F
		YTD Reported Participation Number		YTD Reported Incentive Costs (\$000)		YTD Reported Retail Energy Savings (MWh)	
Business Programs	Sub-Program	Small Commercial	Large Commercial	Small Commercial	Large Commercial	Small Commercial	Large Commercial
C&I Direct Install	N/A	52	N/A	\$694	N/A	1,209	N/A
C&I Rebate Program	Prescriptive/Custom, Energy Management, Engineered Solutions, Midstream	92	33	\$1,265	\$454	5,499	1,972
Total Business		144	33	\$1,960	\$454	6,708	1,972
Pilot Programs	Sub Program						
Peak Demand Reduction	Bring Your Own Thermostat, Commercial System Relief Program	0	0	\$0	\$0	0	0
	Behavioral DR	0	0	\$0	\$0	0	0
Clean Heat Beneficial Electrification**	N/A	0	0	\$0	\$0	0	0
Total Pilot		0	0	\$0	\$0	0	0
Supportive Costs Outside Portfolio				\$0	\$0		
Portfolio Total		144	33	\$1,960	\$454	6,708	1,972

Appendix E - Annual Baseline Calculation

For Period Ending PY23Q4

Energy Efficiency Compliance Baselines and Benchmarks (MWh)												
Electric Utility	Plan Year	Sales Period	Sales (MWh)	Adjustments (MWh)	Adjusted Retail Sales (MWh)	Compliance Baseline (MWh)	Overall Annual Energy Reduction Target (%)	Overall Annual Energy Reduction Target (MWh)	State-Administered Annual Energy Reduction Target (%)	State-Administered Annual Energy Reduction Target (MWh)	Utility-Administered Annual Energy Reduction Target (%)	Utility-Administered Annual Energy Reduction Target (MWh)
			(A)	(B)	(C) = (A)-(B)	(D) = Average (C)	(E)	(F) = (E) * (D)	(G)	(H) = (G) * (D)	(I)	(J) = (I) * (D)
RECO	2020	1/1/20 - 12/31/20	1,493,921	0	1,493,921							
	2021	1/1/21 - 12/31/21	1,495,589	0	1,495,589							
	2022	1/1/22 - 12/31/22	1,532,334	0	1,532,334							
	Plan Year 2023					1,507,281	1.10%	16,580	0.36%	5,426	0.74%	11,154

Notes:

(A) Includes sales as reported on FERC Form-1, as adjusted for the given sales period (planning year)

(B) No included adjustments

Appendix F – Energy Savings with 2022 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.

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

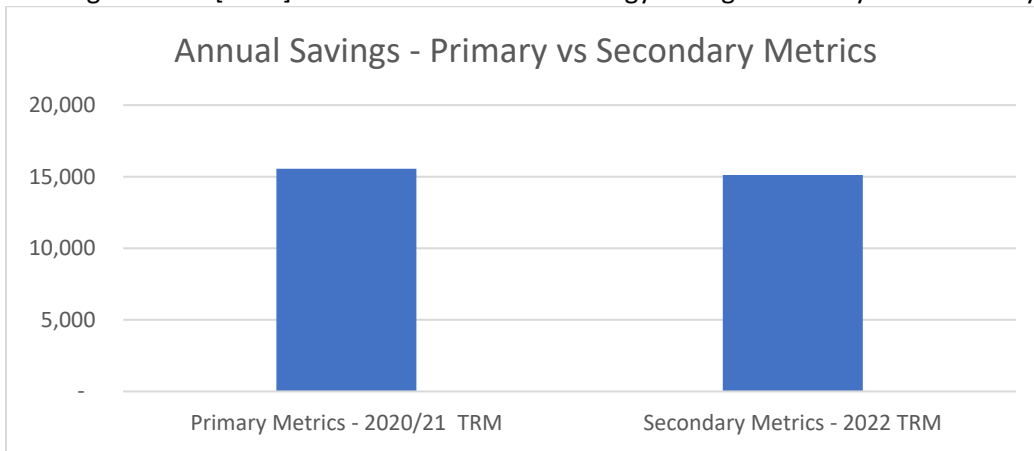


Figure A-2 - Program Year [2022] Portfolio-Level Lifetime Energy Savings – Primary vs Secondary Metrics

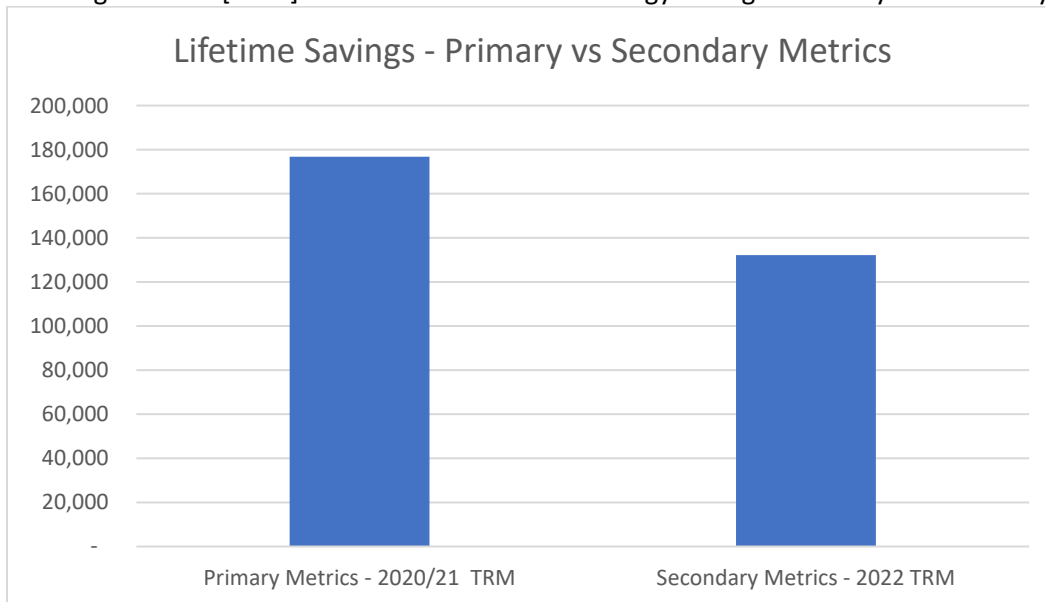


Table F-1 – Sector-Level Energy Savings: Primary Metrics from 2020/21 TRM

Annual Energy Savings ¹	Annual Retail (MWh)	Annual Target Retail Savings (MWh)	Percent of Annual Target
Residential	6,829	4,944	138%
Multifamily	0	346	0%
C&I	8,680	6,337	137%
Clean Heat Beneficial Electrification	44	1,021	4%
Reported Totals for Utility Administered Programs	15,554	12,648	123%

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

Annual Energy Savings ¹	Annual Retail (MWh)	Annual Target Retail Savings (MWh)	Percent of Annual Target
Residential	6,393	4,944	129%
Multifamily	0	346	0%
C&I	8,680	6,337	137%
Clean Heat Beneficial Electrification	44	1,021	4%
Reported Totals for Utility Administered Programs	15,118	12,648	120%

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. This excludes the Comfort Partners Program.

Appendix G - Ex-Ante Energy Savings Held 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 RECO	
Program	Dth held for transfer
Efficient Products: Marketplace	3,339
C&I Direct Install	751
Total	4,089

Appendix H – Cost Effectiveness Test Details

	Residential	Business	MF	Other	Total Portfolio
Total Resource Cost Test (TRC)					
1 Lifetime Avoided Electric Supply Costs	\$3,123,658	\$3,914,651	\$0	\$0	\$7,038,309
2 Lifetime Avoided Electric Capacity Costs	\$320,339	\$1,605,343	\$0	\$0	\$1,925,682
3 Lifetime Avoided Natural Gas Supply Costs	\$0	\$0	\$0	\$0	\$0
4 Lifetime Merit Order (DRIPE) Benefits	\$89,648	\$112,352	\$0	\$0	\$202,000
5 Lifetime REC Avoided Purchases	\$0	\$0	\$0	\$0	\$0
6 Lifetime Wholesale Volatility Value	\$0	\$0	\$0	\$0	\$0
7 Lifetime Avoided Replacement	\$0	\$0	\$0	\$0	\$0
8 Lifetime Avoided T&D Costs	\$299,038	\$1,539,349	\$0	\$0	\$1,838,387
Total Benefit = 1+2+3+4+5+6+7+8	\$3,832,683	\$7,171,695	\$0	\$0	\$11,004,378
9 Lifetime Participant Costs	\$5,650,630	\$2,680,286	\$0	\$0	\$8,330,917
10 Lifetime Administration Costs	\$323,988	\$244,406	\$35,230	\$105,700	\$709,323
11 Lifetime Program Investment Costs	\$202,917	\$278,286	\$17,263	\$159,256	\$657,721
Total Costs (9+10+11)	\$6,177,536	\$3,202,978	\$52,492	\$264,956	\$9,697,961
Benefit Cost Ratio = (1+2+3+4+5+6+7+8)/(9+10+11)	0.62	2.24	0.00	0.00	1.13
Participant Cost Test (PCT)					
12 Lifetime Participant Benefits	\$761,177	\$2,263,502	\$0	\$0	\$3,024,679
13 Lifetime Repayment Benefits	\$5,797,719	\$7,265,854	\$0	\$0	\$13,063,573
Benefit Cost Ratio = (11+12+13)/(9+11)	1.16	3.31	1.00	1.00	1.86
Program Administrator Cost Test (PAC)					
Benefit Cost ratio = (1+2+3+4+5+6+7+8)/(10+11+13)	0.61	0.92	0.00	0.00	0.76
Ratepayer Impact Measure Test (RIM)					
14 Lifetime Utility Revenue Gained	\$3,743,035	\$7,059,343	\$0	\$0	\$10,802,378
15 Lifetime Utility Cost	\$7,085,802	\$10,052,047	\$52,492	\$264,956	\$17,455,296
Benefit Cost ratio = (1+2+3+4+5+6+7+8+14)/(10+11+13+15)	0.53	0.70	0.00	0.00	0.62
Societal Cost Test (SCT)					
16 Lifetime Avoided Electric Supply Costs	\$3,123,658	\$3,914,651	\$0	\$0	\$7,038,309
17 Lifetime Avoided Electric Capacity Costs	\$320,339	\$1,605,343	\$0	\$0	\$1,925,682
18 Lifetime Avoided Natural Gas Supply Costs	\$0	\$0	\$0	\$0	\$0
19 Lifetime Merit Order (DRIPE) Benefits	\$0	\$0	\$0	\$0	\$0
20 Lifetime REC Avoided Purchases	\$0	\$0	\$0	\$0	\$0
21 Avoided Wholesale Volatility Costs	\$0	\$0	\$0	\$0	\$0
22 Lifetime Avoided T&D Costs	\$299,038	\$1,539,349	\$0	\$0	\$1,838,387
23 Lifetime Avoided Emission Benefit	\$3,330,190	\$4,173,482	\$0	\$0	\$7,503,672
24 Lifetime Economic Multiplier Benefit	\$0	\$0	\$0	\$0	\$0
Total Benefit = (16+17+18+19+20+21+22+23+24)	\$7,073,225	\$11,232,825	\$0	\$0	\$18,306,050
25 Lifetime Participant Costs	\$5,650,630	\$2,680,286	\$0	\$0	\$8,330,917
26 Lifetime Administration Costs	\$323,988	\$244,406	\$35,230	\$105,700	\$709,323
27 Lifetime Program Investment Costs	\$202,917	\$278,286	\$17,263	\$159,256	\$657,721
Total Costs = (25+26+27)	\$6,177,536	\$3,202,978	\$52,492	\$264,956	\$9,697,961
Benefit Cost Ratio = (16+17+18+19+20+21+22+23+24)/(25+26+27)	1.14	3.51	0.00	0.00	1.89
New Jersey Cost Test (NJCT)					
28 Lifetime Avoided Electric Supply Costs	\$3,123,658	\$3,914,651	\$0	\$0	\$7,038,309
29 Lifetime Avoided Electric Capacity Costs	\$320,339	\$1,605,343	\$0	\$0	\$1,925,682
30 Lifetime Avoided Natural Gas Supply Costs	\$0	\$0	\$0	\$0	\$0
31 Lifetime Merit Order (DRIPE) Energy Benefits	\$89,647	\$112,348	\$0	\$0	\$201,995
32 Lifetime Merit Order (DRIPE) Capacity Benefits	\$1	\$4	\$0	\$0	\$5
33 Lifetime Avoided Ancillary Services Costs	\$0	\$0	\$0	\$0	\$0
34 Lifetime Avoided Replacement	\$0	\$0	\$0	\$0	\$0
35 Lifetime Avoided Wholesale T&D Costs	\$299,038	\$1,539,349	\$0	\$0	\$1,838,387
36 Lifetime Emission Savings	\$3,330,190	\$4,173,482	\$0	\$0	\$7,503,672
37 Lifetime Non Energy Benefits	\$0	\$0	\$0	\$0	\$0
Total Benefit = 16+17+18+19+20+21+22+23+24+25	\$7,162,873	\$11,345,177	\$0	\$0	\$18,508,050
38 Lifetime Participant Costs	\$5,650,630	\$2,680,286	\$0	\$0	\$8,330,917
39 Lifetime Administration Costs	\$323,988	\$244,406	\$35,230	\$105,700	\$709,323
40 Lifetime Program Investment Costs	\$202,917	\$278,286	\$17,263	\$159,256	\$657,721
Total Costs = 38+39+40	\$6,177,536	\$3,202,978	\$52,492	\$264,956	\$9,697,961
Benefit Cost Ratio = (28+29+30+31+32+33+34+35+36+37)/(38+39+40)	1.16	3.54	0.00	0.00	1.91
Net Present Value of Utility Cost Test Net Benefits (Thousands \$)					
Benefit Cost ratio = (1+2+3+4+5+6+7+8) - (9+10+11)	#####	\$3,968,718	(\$52,492)	(\$264,956)	\$1,306,417

Appendix I – Program Changes

Discuss at the program level changes that occurred during the year. This table is a summary of the program changes that were already reported in the Q1, Q2, and Q3 quarterly reports plus any changes that occurred in Q4. Note the quarter in which the change occurred. List all programs and put “n/a” if no changes occurred.

Program	Summary of Program Changes
Residential Efficient Products	NA
Existing Homes	NA
C&I Direct Install	NA
C&I Rebate	NA
Multi-Family	NA
Peak Demand Reduction	NA
Clean Heat Beneficial Electrification	NA
Comfort Partners	NA