



May 25, 2023

Sherri L. Golden, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350

*Submitted via e-mail*

**DOCKET NOS. QO1901040, QO19060748 & QO17091004**

Dear Secretary Golden:

Pursuant to the Board's current filing procedures, herein is the Quarterly Progress Report for the third quarter for Program Year 2023<sup>1</sup> ("PY23") of New Jersey Natural Gas ("NJNG" or "Company") with respect to its Clean Energy Act of 2018 Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Programs.

In accordance with the Order issued by the Board in connection with I/M/O the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic for a Temporary Waiver of Requirements for Certain Non-Essential Obligations, BPU Docket No. EO20030254, Order dated March 19, 2020, this document is being electronically filed. No paper copies will follow.

**Energy Efficiency Program Progress - Executive Summary**

Overall Portfolio

The SAVEGREEN Project® (SAVEGREEN), the customer branded name for NJNG's energy efficiency programs, has been serving customers since 2009. This report addresses new efforts for the expansion of SAVEGREEN that occurred on July 1, 2021<sup>2</sup> to meet the requirements of the Clean Energy Act, including the transition of many programs that were previously administered by New Jersey's Clean Energy Program. NJNG worked closely with the other New Jersey Utilities (Utilities) to develop coordinated programs to offer comprehensive solutions for our customers.

<sup>1</sup> - For the purposes of the quarterly reports for Program Year 2023, the numbering of the quarters aligns to these dates:

**Q1** (7/1/22 - 9/30/22); **Q2** (10/1/22 - 12/31/22); **Q3** (1/1/23 - 3/31/23); **Q4** (4/1/23 - 6/30/23).

<sup>2</sup> - During this quarter, NJNG was also performing activities to close out projects that were authorized under prior program approvals in BPU Docket No. GO18030355. NJNG will continue to comply with the reporting requirements established within that Docket.

Since NJNG had robust energy-efficiency programs in place and a good working relationship with many contractors, NJNG was able to leverage many elements of our existing structure for program expansion, including the ability to refresh our online marketplace and microsite, established communication and marketing channels with customers and contractors, infrastructure and procedures for our On-Bill Repayment Program (OBRP) and knowledgeable employees, experienced in our energy-efficiency programs, many of whom have been with SAVEGREEN since 2009. However, NJNG continues to devote significant time to the development of a new Program Management Software System (PMSS) to properly support the tracking of the energy savings and investments of our expanded program portfolio and provide enhanced functionality for customers and contractors, as well as on-going coordination efforts with the Utilities. With limited exception noted within this report, NJNG is not using Third Party Implementation Contractors to administer most programs.

All of NJNG's approved programs that were approved and expected to launch in July were accepting applications from customers and contractors in early July 2021. In addition, as noted in our filing and follow-up discussions, NJNG launched certain newer Additional Utility Led Programs, including Moderate Income Weatherization, Energy Management, and Engineered Solutions, later in Program Year 1 (Program Year 2022). Due to longer lead times for commercial projects, Energy Management and Engineered Solutions do not have any closed projects as of the end of this reporting quarter, but the commercial team has two Engineered Solutions projects enrolled, with other potential projects for both Engineered Solutions and Energy Management in development in Program Year 2. While projects were slow to close in the Moderate-Income Weatherization Program as the program was initially established, there are a number of projects scheduled to close soon and dozens more projects at various stages within the program.

The utilities continue to work on developing 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 fully tested and operational, therefore the utilities have not transferred information for expenditures and energy savings. As discussed during Utility Working Group discussions, Utilities are supporting 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. Accordingly, the information reflected within this report reflects all investments made by NJNG, including those as the Lead Utility on behalf of a Partner Utility. Energy savings shown within this report only reflect savings for NJNG's primary fuel.

Collectively, the programs delivered over 339,000 Dth in savings through PY23-Q3. More information on the composition of the savings is presented both within this report and in Appendices B through E.

Additionally, NJNG is committed to improving our program. NJNG is working closely with DNV Energy Insights, the primary evaluation contractor, and their subcontractor APPRISE, Inc. For the purpose of this report, they will collectively be referred to as the DNV Team. The DNV Team has worked with guidance developed by the Statewide Evaluator (SWE) Team under contract to the BPU. Work scopes are close to being finalized for Program Year 2 activity. Contractor interviews for HPwES have been completed and there are other surveys in progress. For some of the other programs, NJNG has received a first draft of the survey instrument and is in the process of providing feedback. DNV is also in the process of reviewing PY2 data activity for QHEC and Energy Efficient Products, along with actively interviewing SAVEGREEN staff to better understand NJNG internal processes for PY2 evaluations.

## Residential Sector

Year-to-date highlights include:

- The Energy Efficient Products Program was launched July 2021.
  - The SAVEGREEN residential HVAC Program completed 5,190 measures.
  - Prior quarters within this program year reported on the distribution of community conservation kits. However, as a result of the implementation of A-5160, NJNG was no longer able to claim savings for the majority of the energy saving measures in the conservation kits because of the increased efficiency standard and the inability to identify the current condition in the customers home for these products. This effectively eliminated NJNG's ability to claim savings for community conservation kits based on the mix of products. Accordingly, NJNG has currently halted distribution of these kits.
  - The NJNG Online Marketplace sold 9,381 efficient products to NJNG customers. Majority of sales were smart thermostats, but NJNG also offered discounted energy products for the home. NJNG previously also sold conservation kits on the Marketplace but also had to eliminate these sales as a result of the implementation of A-5160 as noted in the previous bullet. NJNG retained EFI as the vendor.
  - NJNG processed 2,626 appliance rebates for washer/dryer units.
- The Home Performance with ENERGY STAR (HPwES) Program completed 335 projects. Note this does not include the HPwES activity within the Multi-family market.
- The Behavioral Program had more than 247,000 customers in our treatment group.
  - NJNG retained Uplight, as the vendor that provides this service throughout this triennium. The Behavioral Program sends printed Home Energy Reports (HERs) in the fall and winter periods, and electronic Home Energy Reports (eHERS) are provided during the summer months. High Usage Alerts are also sent to customers who have provided their emails.
- The Quick Home Energy Check-Up (QHEC) Program completed 645 customer visits.
  - NJNG also offered a QHEC+ option that includes a comprehensive Building Performance Institute (BPI) audit and the potential for the installation of a smart thermostat that is purchased on the NJNG Marketplace. The original fee for the QHEC+ was \$49 fee but our approval allowed for us to offer discounted rates for promotional periods. The QHEC+ was discounted to \$24.50 (half-price) through PY23-Q3. All QHEC visits and QHEC+ audits are conducted by NJNG employees with full BPI certification.
  - NJNG is continuing with social media campaigns thorough Facebook and Google targeting customers within the NJNG service territory.
  - Currently developing a QHEC promotional video which will be launch in the future.
- CLEAResult, NJNG's Moderate-Income Weatherization Program Implementer and Quality Control vendor, completed 96 audits.
  - NJNG's weatherization marketing campaigns are in process. Outreach includes:
    - As a result of the previous quarter's direct mail campaign launched to approximately 11,000 customers identified as moderate-income promoting the weatherization program, residual leads continued inbound during the period.
    - During the period, 324 leads were received, 56 applications were submitted, and 39 customers were approved and moved to the implementer for audits.
    - Presentations were held at various organizations, including Senior Citizens Alliance Network (SCAN) and to the State of NJ Department of Child Protection and Permanency (DCP&P) in Monmouth County, the primary department that provides in-home services to families throughout the state.

- Information continues to be provided to Monmouth, Ocean and Morris counties agencies, including Affordable Housing and Ocean Inc. These agencies provide information on the Moderate-Income Weatherization Program to customers over income limits for Comfort Partners.
- To support the growth of the Clean Energy Jobs Workforce Development Program, Building Performance Institute, Inc. (BPI) Certification scholarships are being offered to income-eligible participants in NJNG's service territory. Classes are a mix of online and hybrid to learn the fundamentals of the industry such as home inspections, energy modeling, enhanced in-field management, etc.

### Commercial Sector

Year-to-date highlights include:

- The NJNG outreach team is actively promoting the programs at events across our service territories. They are also engaged in one-on-one discussions with customers who are interested in learning more about available programs.
- The Direct Install Program completed 7 projects.
  - The Utilities considered feedback from customers and trade allies regarding the structure of incentive calculations for the Direct Install Program and reached agreement on modifications to the screening tool for Direct Install projects that was implemented on July 1, 2022. As a result of these changes, NJNG has seen greater participation in this program.
  - As of March 31, 2023, the Direct Install project pipeline had 62 applications submitted for future projects with a steady inflow of new applications.
- The Prescriptive Program completed 4 projects.
  - As of March 31, 2023, the Prescriptive project pipeline had 3 applications submitted for future projects.
  - NJNG has been successful in converting some Prescriptive Program requests into comprehensive Direct Install projects. NJNG's commercial encourages all interested customers to consider pivoting to more comprehensive upgrades whenever possible.
- NJNG also has the infrastructure in place to engage eligible customers in our Engineered Solutions Program since we have been running a similar program since early 2019.
  - As of March 31, 2023, the Engineered Solutions project pipeline had 1 application submitted for a future project and was expecting applications for from 3 new customers. These projects have long development cycles.
- NJNG finalized program details to enable the launch of the Energy Management program.
  - NJNG received 2 applications during PY23-Q3 and expects an increase in participation as the program is marketed to both contractors and customers.
- Although NJNG noticed steady growth in its project pipelines, supply chain challenges are ongoing.
- NJNG incurred program costs but had limited projects close during PY23-Q3, so limited energy savings were reported in this period.
- NJNG has engaged a marketing consultant (White Whale) to launch our first commercial marketing campaign.
  - The Initial focus will be on Direct Install and Prescriptive Programs. Strategies will include social media, email, and direct mail.

### Multi-family Sector

- Our outreach team is engaged in one-on-one discussions with customers who are interested in learning more about the available program.
- The Multi-family HPwES Program completed 508 units.
- NJNG conducted a competitive solicitation and selected CLEAResult as a Third-Party Implementation Contractor to support the launch of Direct Install of energy savings measures for the Multi-family Program. Program details have been put in place to enable the launch of this pathway. However, no customer applications were submitted during PY23-Q3.
- NJNG was available to accept interested customers into the program for the initial screening and to process incentives for Prescriptive measures pathway. NJNG received 2 submitted applications during PY23-Q3.
- NJNG also had the infrastructure in place to engage Multi-family property owners in Engineered Solutions. However, NJNG applications are currently under review by 3 interested customers.

### Contractor Summary

- NJNG engages nearly 1,900 contractors through our monthly contractor newsletter.
- 226 Contractors have been onboarded to participate in our OBRP program, this includes 27 contractors for the HPwES Program. One new HPwES contractor was onboarded in Q3.
- There were 45 commercial contractors onboarded for our Direct Install Program.
- There were 47 contractors for our Prescriptive program who signed a participation agreement to allow them to offer our OBRP program.
- Any licensed contractor can offer rebates for qualifying residential HVAC equipment and commercial Prescriptive equipment.
- There were 12 engineering firms for our Engineered Solutions Program.

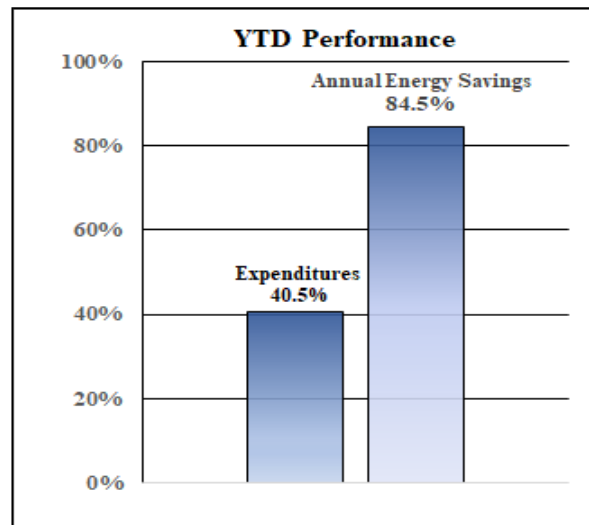
Table 1 - Program Year 2023 Program Results shows the Company's overall performance as a percentage of retail sales, which includes retail sales reductions achieved by the Comfort Partners Program, which is the primary program serving low-income customers and is co-managed with the Division of Clean Energy in conjunction with NJNG and the other investor-owned electric and gas utility companies.

**Table 1 - Program Year 2023 Program Results**

Utility-Administered Programs Ex-ante Energy Savings (Dth)	Comfort Partners Ex-ante Energy Savings (Dth)	Other Programs Ex-ante Energy Savings (Dth) <sup>1</sup>	Total Ex-ante Energy Savings (Dth)	Compliance Baseline (Dth)	Annual Target (%)	Annual Target (Dth)	Percent of Annual Target (%)
(A)	(B)	(C)	(D) = (A) + (B) + (C)	(E)	(F)	(G) = (E) * (F)	(H) = (D) / (G)
339,113	8,653	-	347,766	68,052,214	0.34%	231,378	150.3%

<sup>1</sup> - Other Programs includes Company-specific programs that are not part of the Clean Energy Act (CEA) energy efficiency programs, such as legacy programs and pilots. While NJNG has legacy programs that are expected to contribute to reported savings in PY23 and PY24, all legacy program projects that closed within PY23 to date reflected the complementary efforts with the NJCEP programs. Accordingly, NJNG is not recording any savings for those legacy programs in Table 1 (above). Future years will only reflect savings from legacy programs that do not have an overlap with NJCEP, primarily Engineered Solutions.

**Figure 1 - PY23 Performance of Expenditures and Annual Energy Savings**



The chart above is reflective of expenditures and savings from NJNG's approved plan (not reflective of the retail energy targets which is captured in Table 1 - Program Year 2023 Program Results).

Table 2 - Quantitative Performance Indicators 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 NJNG that were authorized or funded by or through a prior filing or authorization.

**Table 2 - Quantitative Performance Indicators**

	Utility-Administered Plan Year Results	Comfort Partners Plan Year Results	Other Programs Plan Year Results <sup>9</sup>	Total Plan Year Results	Annual Target <sup>5 &amp; 6</sup>	Percent of Annual Target Achieved
Annual Energy Savings (Dth) <sup>1</sup>	339,113	8,653	-	347,766	411,345	84.5%
Lifetime Savings (Dth)	2,560,370	159,520	-	2,719,890	4,244,399	64.1%
Annual Demand Savings (Dth Peak Day) <sup>2</sup>						
Lifetime Persisting Demand Savings (Dth-year) <sup>5</sup>						
Low/Moderate-Income Lifetime Savings (Dth) <sup>3</sup>	81,227	159,520	-	240,748		
Small Commercial Lifetime Savings (Dth) <sup>4</sup>	2,819		-	2,819		
Net Present Value of Utility Cost Test Net Benefits (\$) <sup>7-8</sup>	\$ -			\$ -		

- <sup>1</sup> - Calculated savings at the retail (customer meter) level. Savings are ex-ante.
- <sup>2</sup> - Calculation methodology for Annual Demand Savings and Lifetime of Persisting Demand Savings for natural gas are in development.
- <sup>3</sup> - Low/Moderate-Income lifetime savings are the total of any income-qualified Residential or Multi-family program, including Comfort Partners.
- <sup>4</sup> - Small Commercial lifetime savings are Direct Install Program savings and those from C&I small business customers (<200 kW peak demand) in other programs.
- <sup>5</sup> - The New Jersey Comfort Partners Program does not forecast annual target retail savings (Dth).
- <sup>6</sup> - Annual Targets reflect estimated impacts as filed the Company's 2021-2024 Clean Energy Filing.
- <sup>7</sup> - Cost effectiveness impacts are not calculated for Comfort Partners or Other Programs.
- <sup>8</sup> - Net Present Value of Utility Cost Test Net Benefits was reported at \$665,739 during PY1-Q4.
- <sup>9</sup> - Other Programs includes Company-specific programs that are not part of the Clean Energy Act (CEA) energy efficiency programs, such as legacy programs and pilots. While NJNG has legacy programs that are expected to contribute to reported savings in PY23 and PY24, all legacy program projects that closed within PY23 to date reflected the complementary efforts with the NJCEP programs. Accordingly, NJNG is not recording any savings for those legacy programs here. Future years will only reflect savings from legacy programs that do not have an overlap with NJCEP, primarily Engineered Solutions.

## Sector-Level Participation, Expenditures, and Energy Savings

### Participation

NJNG has seen a strong start to the residential programs because we have been offering a range of residential energy-efficiency programs since 2009. NJNG has a robust network of participating contractors, active communication channels, and marketing efforts.

NJNG is not surprised that there were only a few closed commercial projects. Based on experience supporting the commercial energy efficiency programs run by NJCEP, NJNG recognizes longer lead times for those programs. NJNG had similar expectations for the Multi-family program, especially since it launched mid-year during PY22. NJNG’s annual forecasted participation was based on commitments rather than closed projects. Additionally, as a result of the implementation of A-5160, NJNG was no longer claiming participants for Conservation Kits.

**Table 3 - Sector-Level Participation**

Sector <sup>1</sup>	Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	252,083	265,820	282,647	94.0%
Multi-family	248	756	1,273	59.4%
C&I	3	11	1,386	0.8%
<b>Reported Totals for Utility Administered Programs</b>	<b>252,334</b>	<b>266,587</b>	<b>285,306</b>	<b>93.4%</b>
Comfort Partners	171	505	863	58.5%
<b>Utility Total</b>	<b>252,505</b>	<b>267,092</b>	<b>286,169</b>	<b>93.3%</b>
<sup>1</sup> - Please note that these numbers are totals across all programs within a sector. Appendix B shows the participation results for individual programs or offerings.				

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## Expenditures

NJNG did not make or request any adjustments to budget or incentives during PY23-Q3. As reflected in Table 4 below, NJNG has spent 70% of the Residential sector budget, approximately 28% of the Multi-family sector budget, and 17% of the Commercial sector budget. The smaller relative spend for the Multi-family and Commercial Programs reflects that limited incentives were processed during PY23-Q3; however, there is significant activity occurring on projects in process and regarding outreach to engage further customers. The Engineered Solutions Program has committed 33% of the triennium budget. NJNG's annual forecasted expenditures were based on commitments rather than closed projects. Accordingly, some programs within the commercial sector spending are expected to remain at lower levels since many comprehensive projects with longer lead times will likely close after the conclusion of the current triennial.

**Table 4 - Sector-Level Expenditures**

Expenditures <sup>1</sup>	Quarter Expenditures (\$000)	YTD Expenditures (\$000)	Annual Budget Expenditures (\$000)	Percent of Annual Budget
Residential	\$ 8,525	\$ 24,677	\$ 35,045	70.4%
Multi-family	\$ 403	\$ 2,366	\$ 8,497	27.8%
C&I	\$ 4,922	\$ 6,767	\$ 40,003	16.9%
<b>Reported Totals for Utility Administered Programs</b>	<b>\$ 13,850</b>	<b>\$ 33,810</b>	<b>\$ 83,545</b>	<b>40.5%</b>
Comfort Partners	\$ 1,660	\$ 4,191	\$ 6,082	68.9%
<b>Utility Total</b>	<b>\$ 15,510</b>	<b>\$ 38,001</b>	<b>\$ 89,627</b>	<b>42.4%</b>

<sup>1</sup> - Expenditures include rebates, incentives, and loans, as well as program administration costs allocated across programs.

## Energy Savings

Given that this is the second year of activity after the transition of the NJCEP programs, NJNG expected some of the programs to reflect a slower start. NJNG is working to refine procedures to improve the customer experience, engage more contractors, and reach more customers through marketing and outreach.

**Table 5 - Sector-Level Energy Savings**

Annual Energy Savings <sup>1</sup>	Quarter Retail (Dth)	YTD Retail (Dth)	Annual Target Retail Savings (Dth)	Percent of Annual Target
Residential	145,788	328,375	283,490	115.8%
Multi-family	2,224	7,919	10,936	72.4%
C&I	1,356	2,819	116,920	2.4%
<b>Reported Totals for Utility Administered Programs</b>	<b>149,368</b>	<b>339,113</b>	<b>411,345</b>	<b>82.4%</b>
Comfort Partners <sup>2</sup>	3,082	8,653	N/A	N/A
<b>Utility Total</b>	<b>152,450</b>	<b>347,766</b>	<b>411,345</b>	<b>84.5%</b>

<sup>1</sup> - 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.

<sup>2</sup> - The New Jersey Comfort Partners Program does not forecast annual target retail savings (Dth).

## Portfolio Expenditures Breakdown

Table 6 provides quarterly, and year-to-date costs compared to the full program year budget. Spending will accelerate quickly as other Commercial and Multi-family Programs begin to close.

**Table 6 - Annual Costs and Budget Variances by Category**

Total Utility EE/PDR <sup>1</sup>	Quarter Reported (\$000)	YTD Reported (\$000)	Full Year Budget (\$000)	Percent of Annual Budget Spent
Capital Costs <sup>2</sup>	\$ 78	\$ 470	\$ 527	89.3%
Utility Administration	\$ 1,478	\$ 3,611	\$ 5,960	60.6%
Marketing	\$ 134	\$ 468	\$ 1,482	31.6%
Outside Services	\$ 83	\$ 680	\$ 1,935	35.1%
Rebates	\$ 7,367	\$ 12,512	\$ 38,151	32.8%
No or Low-Interest Loans	\$ 4,872	\$ 16,037	\$ 34,225	46.9%
Evaluation, Measurement & Verification (EM&V)	\$ 55	\$ 555	\$ 2,651	20.9%
Inspections & Quality Control	\$ 25	\$ 86	\$ 163	52.8%
<b>Utility Total</b>	<b>\$ 14,092</b>	<b>\$ 34,419</b>	<b>\$ 85,094</b>	<b>40.4%</b>

<sup>1</sup> - Categories herein align to NJNG's EE plan as approved by the BPU.

<sup>2</sup> - PY1 budget for Capital Cost was \$1.3M. At PY1-Q4 \$823K (61%) was spent. \$527K remained, which carried over and became PY2 full year budget.

## 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 specific census criteria are met<sup>1</sup>, and metrics reported herein reflect further direction from BPU Staff<sup>2</sup>.

NJNG devoted significant internal resources to developing the proper reports to extract the information used to populate this table from our Customer Information System to calculate the system wide reference points and our PMSS to develop related participation metrics. NJNG intends to improve our understanding of the implications of these metrics and pursue additional focused strategies to improve the participation levels for customers in OBC as needed.

NJNG has pursued distinct outreach strategies to benefit our low-to moderate income customers living in (and outside, e.g., senior populations) OBCs. These strategies provide our customers with information about special programs and enhanced incentives the energy efficiency programs have to help lower their energy bills and potentially improve the comfort and safety of their homes. Activities include outreach events, customer bill inserts and newsletters, email campaigns, social media advertising, and direct mail. NJNG has begun to work with community partners to reach customers in OBC communities. We continue to develop new approaches and strategies to increase participation. For example, NJNG sponsored a Montclair University Sustainable Institute Green Team to develop outreach strategies for OBC communities. Together with NJNG, this team worked directly with Interfaith Neighbors, a nonprofit organization based in Asbury Park to brainstorm and develop strategies that can then be

<sup>1</sup> 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.

<sup>2</sup> Per guidance from BPU 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.

replicated in other OBCs in our territory.

**Table 7 - Equity Performance** <sup>7</sup>

Territory-Level Benchmarks	Over-Burdened <sup>1</sup>	Non-Over-Burdened	Total	Ratio <sup>2</sup>
# of Household Accounts <sup>3</sup>	64,552	466,514	531,066	0.12
# of Large Commercial Accounts <sup>3</sup>	1,097	4,925	6,022	0.18
# of Small Commercial Accounts <sup>3</sup>	4,618	28,736	33,354	0.14
<b>Totals</b>	<b>70,267</b>	<b>500,175</b>	<b>570,442</b>	<b>0.12</b>

Territory-Level Benchmarks	Over-Burdened <sup>1</sup>	Non-Over-Burdened	Total	Ratio <sup>2</sup>
Household Accounts - Annual Energy	54,951,872	477,761,510	532,713,382	0.10
Large Commercial Accounts - Annual Energy	24,519,742	100,048,084	124,567,826	0.20
Small Commercial Accounts - Annual Energy	47,618,975	276,913,011	324,531,986	0.15
<b>Totals (Therms) <sup>4</sup></b>	<b>127,090,589</b>	<b>854,722,605</b>	<b>981,813,194</b>	<b>0.13</b>
<b>Totals (Dth) <sup>4</sup></b>	<b>12,709,059</b>	<b>85,472,261</b>	<b>98,181,319</b>	<b>0.13</b>

Program	Sub-Program or Offering	Type of Sub-Program/Offering	Quarter Over-burdened <sup>1</sup>	Quarter Non-Over-burdened	Quarter Ratio <sup>2</sup>	YTD Over-burdened <sup>1</sup>	YTD Non-Over-burdened	YTD Ratio <sup>2</sup>
<b>Participation</b>								
Residential - Efficient Products <sup>5</sup>	HVAC	Core	64	1,853	0.03	257	4,933	0.05
	Community Kits	Core	-	-	-	6	18	0.25
	Others (Online Marketplace & Washers/Dryers <sup>5</sup> )	Core	272	1,849	0.13	1,446	10,561	0.12
	<b>Total Efficient Products Participation</b>		336	3,702	0.08	1,709	15,512	0.10
Residential - Existing Homes	Home Performance with Energy Star	Core	21	97	0.18	67	268	0.20
	Quick Home Energy Check-Up	Additional	15	293	0.05	53	592	0.08
	Moderate-Income Weatherization	Additional	-	1	-	-	1	-
Home Energy Education & Management	Behavioral	Additional	24,868	222,750	0.10	24,868	222,750	0.10
<b>Total Residential Participation</b>			25,240	226,843	0.10	26,697	239,123	0.10
C&I Direct Install	Direct Install	Core	-	3	-	1	6	0.14
Energy Solutions for Business	Prescriptive/Custom	Core	-	-	-	1	3	0.25
	Energy Management	Additional	-	-	-	-	-	-
	Engineered Solutions	Additional	-	-	-	-	-	-
<b>Total Business Participation</b>			-	3	-	2	9	0.18
Multi-family	HPwES	Core	104	144	0.42	268	488	0.35
	Direct Install	Core	-	-	-	-	-	-
	Prescriptive/Custom	Core	-	-	-	-	-	-
	Engineered Solutions	Core	-	-	-	-	-	-
<b>Total Multi-family Participation</b>			104	144	0.42	268	488	0.35
<b>Total Core Participation <sup>6</sup></b>			461	3,946	0.10	2,046	16,277	0.11
<b>Total Additional Participation <sup>6</sup></b>			24,883	223,044	0.10	24,921	223,343	0.10
<b>TOTAL PARTICIPATION <sup>6</sup></b>			25,344	226,990	0.10	26,967	239,620	0.10

Program	Sub-Program or Offering	Type of Sub-Program/Offering	Quarter Over-burdened <sup>1</sup>	Quarter Non-Over-burdened	Quarter Ratio <sup>2</sup>	YTD Over-burdened <sup>1</sup>	YTD Non-Over-burdened	YTD Ratio <sup>2</sup>
<b>Annual Energy Savings (Dth)</b>								
Residential - Efficient Products <sup>5</sup>	HVAC	Core	928	18,831	0.05	3,389	60,728	0.05
	Community Kits	Core	-	-	-	30	91	0.25
	Others (Online Marketplace & Washers/Dryers <sup>5</sup> )	Core	581	5,080	0.10	3,566	31,800	0.10
	<b>Total Efficient Products Annual Energy Savings (Dth)</b>		1,509	23,911	0.06	6,985	92,619	0.07
Residential - Existing Homes	Home Performance with Energy Star	Core	203	2,261	0.08	722	6,501	0.10
	Quick Home Energy Check-Up	Additional	7	274	0.02	37	574	0.06
	Moderate-Income Weatherization	Additional	-	0.36	-	-	0.36	-
Home Energy Education & Management	Behavioral	Additional	10,977	106,646	0.09	20,646	200,291	0.09
<b>Total Residential Annual Energy Savings (Dth)</b>			12,696	133,092	0.09	28,390	299,985	0.09
C&I Direct Install	Direct Install	Core	-	1,356	-	77	2,377	0.03
Energy Solutions for Business	Prescriptive/Custom	Core	-	-	-	204	161	0.56
	Energy Management	Additional	-	-	-	-	-	-
	Engineered Solutions	Additional	-	-	-	-	-	-
<b>Total Business Annual Energy Savings (Dth)</b>			-	1,356	-	281	2,538	0.10
Multi-family	HPwES	Core	646	1,578	0.29	2,798	5,121	0.35
	Direct Install	Core	-	-	-	-	-	-
	Prescriptive/Custom	Core	-	-	-	-	-	-
	Engineered Solutions	Core	-	-	-	-	-	-
<b>Total Multi-family Annual Energy Savings (Dth)</b>			646	1,578	0.29	2,798	5,121	0.35
<b>Total Core Annual Energy Savings <sup>6</sup></b>			2,358	29,106	0.07	10,786	106,779	0.09
<b>Total Additional Annual Energy Savings <sup>6</sup></b>			10,984	106,920	0.09	20,683	200,865	0.09
<b>TOTAL ANNUAL ENERGY SAVINGS <sup>6</sup></b>			13,342	136,026	0.09	31,469	307,644	0.09

Program	Sub-Program or Offering	Type of Sub-Program/Offering	Quarter Over-burdened <sup>1</sup>	Quarter Non-Over-burdened	Quarter Ratio <sup>2</sup>	YTD Over-burdened <sup>1</sup>	YTD Non-Over-burdened	YTD Ratio <sup>2</sup>
<b>Lifetime Energy Savings (Dth)</b>								
Residential - Efficient Products <sup>5</sup>	HVAC	Core	18,077	356,686	0.05	65,584	1,176,241	0.05
	Community Kits	Core	-	-	-	453	1,360	0.25
	Others (Online Marketplace & Washers/Dryers <sup>8</sup> )	Core	4,530	39,132	0.10	27,551	242,695	0.10
<b>Total Efficient Products Lifetime Energy Savings (Dth)</b>			<b>22,607</b>	<b>395,818</b>	<b>0.05</b>	<b>93,588</b>	<b>1,420,296</b>	<b>0.06</b>
Residential - Existing Homes	Home Performance with Energy Star	Core	2,857	51,675	0.05	11,823	144,429	0.08
	Quick Home Energy Check-Up	Additional	66	2,742	0.02	369	5,743	0.06
	Moderate-Income Weatherization	Additional	-	0.72	-	-	0.72	-
Home Energy Education & Management	Behavioral	Additional	23,052	223,956	0.09	43,356	420,610	0.09
<b>Total Residential Lifetime Energy Savings (Dth)</b>			<b>48,582</b>	<b>674,192</b>	<b>0.07</b>	<b>149,136</b>	<b>1,991,079</b>	<b>0.07</b>
C&I Direct Install	Direct Install	Core	-	258,833	-	1,549	279,251	0.01
	Prescriptive/Custom	Core	-	-	-	2,446	2,288	0.52
Energy Solutions for Business	Energy Management	Additional	-	-	-	-	-	-
	Engineered Solutions	Additional	-	-	-	-	-	-
<b>Total Business Lifetime Energy Savings (Dth)</b>			<b>-</b>	<b>258,833</b>	<b>-</b>	<b>3,995</b>	<b>281,539</b>	<b>0.01</b>
Multi-family	HPwES	Core	10,984	26,833	0.29	47,558	87,064	0.35
	Direct Install	Core	-	-	-	-	-	-
	Prescriptive/Custom	Core	-	-	-	-	-	-
	Engineered Solutions	Core	-	-	-	-	-	-
<b>Total Multi-family Lifetime Energy Savings (Dth)</b>			<b>10,984</b>	<b>26,833</b>	<b>0.29</b>	<b>47,558</b>	<b>87,064</b>	<b>0.35</b>
<b>Total Core Lifetime Energy Savings <sup>6</sup></b>			<b>36,448</b>	<b>733,159</b>	<b>0.05</b>	<b>156,964</b>	<b>1,933,328</b>	<b>0.08</b>
<b>Total Additional Lifetime Energy Savings <sup>6</sup></b>			<b>23,118</b>	<b>226,699</b>	<b>0.09</b>	<b>43,725</b>	<b>426,354</b>	<b>0.09</b>
<b>TOTAL LIFETIME ENERGY SAVINGS <sup>6</sup></b>			<b>59,566</b>	<b>959,858</b>	<b>0.06</b>	<b>200,689</b>	<b>2,359,682</b>	<b>0.08</b>

- <sup>1</sup> - 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](http://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.
- <sup>2</sup> - 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.
- <sup>3</sup> - Estimation of accounts with overburdened designation determined to be active immediately preceding the current Plan Year.
- <sup>4</sup> - Estimation of usage with overburdened designation for the 12-month period immediately preceding the current Plan Year.
- <sup>5</sup> - Efficient Products Program, Lighting participants represent sales of products originating from stores located within an Overburdened Community. This metric is not intended to identify individual participants who reside in Overburdened Community, but rather the proportion of retail lighting sales stemming from locations serving Overburdened Communities aligned to BPU Staff's modifications.
- <sup>6</sup> - Individual line items or totals as listed in the OBC table may differ slightly from those results in Appendix B table due to rounding.
- <sup>7</sup> - The 2020 census data was used for PY2-Q3. Previous quarterly reports (PY1 Q1-Q2-Q3-Q4 and PY2 Q1-Q2) reflected 2019 census data.
- <sup>8</sup> - Appliance Rebates - Washer/Dryers subprogram resulted in negative savings (current quarter and lifetime) as a result of updating our tracking system to the FY2021 Protocol from FY2020 (specific to washers). This had no impact on participant data.

Please contact the undersigned (via email at [APeracchio@NJNG.com](mailto:APeracchio@NJNG.com)) should you have any questions or concerns regarding this report.

Respectfully submitted,

A handwritten signature in blue ink that reads "Anne-Marie Peracchio". The signature is written in a cursive, flowing style.

Anne-Marie Peracchio  
Managing Director Marketing and Energy Efficiency

Cc:  
Philip Chao  
Brian Lipman  
Maura Caroselli  
Carlena Morrison  
Stacy Richardson

## **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 A - Participant Definitions

NJ Program/Pathway		Participants (as lead utility)
Efficient Products	HVAC	Sum of HVAC units (multiple units per customer, counts as multiple participants)
	Rebated Products	Quantity of units rebated (based on SKU)
	Online Marketplace	Quantity of units sold (based on SKU) - net of returns (negative in current period)
	EE Kits - Giveaway	Per kit delivered
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	MF 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

## Appendix B - Energy Efficiency and PDR Savings Summary

NJNG		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	O	P
		Current Quarter	Annual Forecasted Participation Number	Reported Participation Number YTD	YTD % of Annual Participants	Current Quarter (\$000)	Forecasted Annual Program Costs 1 (\$000)	Reported Program Costs YTD (\$000)	YTD % of Annual Budget	Current Quarter Annual Retail Energy Savings (Dth)	Annual Forecasted Retail Energy Savings (Dth)	Reported Retail Energy Savings YTD (Dth)	YTD % of Annual Energy Savings	Current Quarter Reported Wholesale Energy Savings (Dth)	Current Quarter Lifetime Retail Savings (Dth)	YTD Lifetime Retail Savings (Dth)
Residential Programs	Sub-Program															
Efficient Products *	HVAC	1,917	7,024	5,190	73.9%	\$ 5,050	N/A	\$ 16,354	N/A	19,759	63,277	64,117	101.3%	19,957	374,763	1,241,824
	Community Kits	-	10,000	24	0.2%	\$ -	N/A	\$ 21	N/A	-	11,200	121	1.1%	-	-	1,813
	Others (Online Marketplace 4 & Washers/Dryers)	2,121	21,126	12,007	56.8%	\$ 737	N/A	\$ 1,176	N/A	5,661	57,048	35,366	62.0%	5,718	43,662	270,246
	<b>Total Efficient Products</b>	<b>4,038</b>	<b>38,150</b>	<b>17,221</b>	<b>45.1%</b>	<b>\$ 5,787</b>	<b>\$ 19,205</b>	<b>\$ 17,551</b>	<b>91.4%</b>	<b>25,420</b>	<b>131,525</b>	<b>99,604</b>	<b>75.7%</b>	<b>25,674</b>	<b>418,425</b>	<b>1,513,883</b>
Existing Homes	Home Performance with Energy Star *	118	737	335	45.5%	\$ 1,629	\$ 10,088	\$ 5,108	50.6%	2,464	22,763	7,223	31.7%	2,489	54,532	156,252
	Quick Home Energy Check-Up	308	1,650	645	39.1%	\$ 292	\$ 1,709	\$ 873	51.1%	281	2,160	611	28.3%	284	2,808	6,112
	Moderate-Income Weatherization 3	1	110	1	0.9%	\$ 131	\$ 2,287	\$ 380	16.6%	0.36	3,770	0.36	0.01%	0.36	0.72	0.72
Home Energy Education & Management	Behavioral 2/5	247,618	242,000	247,618	102.3%	\$ 686	\$ 1,756	\$ 765	43.6%	117,623	123,272	220,937	179.2%	118,799	247,008	463,966
<b>Total Residential</b>		<b>252,083</b>	<b>282,647</b>	<b>265,820</b>	<b>94.0%</b>	<b>\$ 8,525</b>	<b>\$ 35,045</b>	<b>\$ 24,677</b>	<b>70.4%</b>	<b>145,788</b>	<b>283,490</b>	<b>328,375</b>	<b>115.8%</b>	<b>147,246</b>	<b>722,774</b>	<b>2,140,214</b>
Business Programs	Sub-Program															
C&I Direct Install	Direct Install *	3	248	7	2.8%	\$ 764	\$ 16,485	\$ 1,458	8.8%	1,356	34,029	2,454	7.2%	1,370	258,833	280,800
Energy Solutions for Business	Prescriptive/Custom *	-	1,080	4	0.4%	\$ 116	\$ 7,801	\$ 341	4.4%	-	46,452	365	0.8%	-	-	4,734
	Energy Management	-	12	-	0.0%	\$ 38	\$ 1,047	\$ 85	8.1%	-	2,769	-	0.0%	-	-	-
	Engineered Solutions 5	-	46	-	0.0%	\$ 4,004	\$ 14,670	\$ 4,883	33.3%	-	33,670	-	0.0%	-	-	-
<b>Total Business</b>		<b>3</b>	<b>1,386</b>	<b>11</b>	<b>0.8%</b>	<b>\$ 4,922</b>	<b>\$ 40,003</b>	<b>\$ 6,767</b>	<b>16.9%</b>	<b>1,356</b>	<b>116,920</b>	<b>2,819</b>	<b>2.4%</b>	<b>1,370</b>	<b>258,833</b>	<b>285,534</b>
Multi-family *	HPwES	248	N/A	756	N/A	\$ 403	N/A	\$ 2,366	0.0%	2,224	N/A	7,919	0.0%	2,246	37,817	134,622
	Direct Install	-	N/A	-	N/A	\$ -	N/A	\$ -	0.0%	-	N/A	-	0.0%	-	-	-
	Prescriptive/Custom	-	N/A	-	N/A	\$ -	N/A	\$ -	0.0%	-	N/A	-	0.0%	-	-	-
	Engineered Solutions	-	N/A	-	N/A	\$ -	N/A	\$ -	0.0%	-	N/A	-	0.0%	-	-	-
<b>Total Multi-family</b>		<b>248</b>	<b>1,273</b>	<b>756</b>	<b>59.4%</b>	<b>\$ 403</b>	<b>\$ 8,497</b>	<b>\$ 2,366</b>	<b>27.8%</b>	<b>2,224</b>	<b>10,936</b>	<b>7,919</b>	<b>72.4%</b>	<b>2,246</b>	<b>37,817</b>	<b>134,622</b>
Other Programs																
Home Optimization & Peak Demand Reduction		-	-	-	0.0%	\$ -	\$ -	\$ -	0.0%	-	-	-	0.0%	-	-	-
<b>Total Other</b>		-	-	-	0.0%	\$ -	\$ -	\$ -	0.0%	-	-	-	0.0%	-	-	-
<b>Portfolio Total</b>		<b>252,334</b>	<b>285,306</b>	<b>266,587</b>	<b>93.4%</b>	<b>\$ 13,850</b>	<b>\$ 83,545</b>	<b>\$ 33,810</b>	<b>40.5%</b>	<b>149,368</b>	<b>411,345</b>	<b>339,113</b>	<b>82.4%</b>	<b>150,862</b>	<b>1,019,424</b>	<b>2,560,370</b>
<b>Supportive Costs Outside Portfolio</b>						<b>\$ 242</b>	<b>\$ 1,023</b>	<b>\$ 609</b>	<b>59.5%</b>							

\* - 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.

1 - 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.

2 - Behavioral lifetime retail savings (Dth) were calculated utilizing useful life of 2.1 years.

3 - As of March 31, 2023, NJNG had 42 Moderate-income Weatherization pipeline projects which are estimated to yield over 690 annual Dth savings (18,400 lifetime Dth). These pipeline projects are targeted to close during PY2-Q4.

4 - \$656K (89%) of \$737K in actual expenditures was directly related to Marketplace program activity (thermostats rebates).

5 - \$656K (96%) of \$686K in actual expenditures was directly related to 2 vendor invoices paid during the current period.

6 - \$3.8M (95%) of \$4M in actual expenditures was directly related to Engineered Solutions progress payments.

Note - 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



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

Energy Efficiency and PDR Savings Summary, LMI Customers							Appendix C	
For Period Ending PY23Q3								
NJNG		Participation		Incentive Expenditures (Customer Rebates & 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	320	4,870	\$ 1,595	\$ 13,359	4,415	59,702	
	Community Kits	24	-	\$ 22	\$ -	121	-	
	Others (Online Marketplace - Washers/Dryers)	-	12,007	\$ -	\$ 1,176	-	35,366	
Existing Homes	Home Performance with Energy Star <sup>1</sup>	-	335	\$ -	\$ 4,354	-	7,223	
	Quick Home Energy Check-Up	-	645	\$ -	\$ 27	-	611	
	Moderate Income Weatherization	1	-	\$ 1	\$ -	0.36	-	
Home Energy Education & Management	Behavioral <sup>2</sup>	5,638	241,980	\$ 150	\$ 506	76,691	144,246	
<b>Total Residential</b>		<b>5,983</b>	<b>259,837</b>	<b>\$ 1,768</b>	<b>\$ 19,422</b>	<b>81,227</b>	<b>247,148</b>	
Multi-family Program	Sub-Program							
Multi-family	HPWES	-	756	\$ -	\$ 2,070	-	7,919	
	Direct Install	-	-	\$ -	\$ -	-	-	
	Prescriptive/Custom	-	-	\$ -	\$ -	-	-	
	Engineered Solutions	-	-	\$ -	\$ -	-	-	
<b>Total Multi-family</b>		<b>-</b>	<b>756</b>	<b>\$ -</b>	<b>\$ 2,070</b>	<b>-</b>	<b>7,919</b>	
Other Programs								
Home Optimization & Peak Demand Reduction		-	-	\$ -	\$ -	-	-	
<b>Total Other</b>		<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	
<b>Portfolio Total</b>		<b>5,983</b>	<b>260,593</b>	<b>\$ 1,768</b>	<b>\$ 21,492</b>	<b>81,227</b>	<b>255,067</b>	
<b>Supportive Costs Outside Portfolio</b>				<b>\$ -</b>	<b>\$ -</b>			

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

<sup>2</sup> - Wave of LMI treatment group participants.

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

Energy Efficiency and PDR Savings Summary							Appendix D	
For Period Ending PY23Q3								
NJNG		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)		
Business Programs	Sub-Program	Small Commercial <sup>1</sup>	Large Commercial	Small Commercial <sup>1</sup>	Large Commercial	Small Commercial <sup>1</sup>	Large Commercial	
C&I Direct Install	Direct Install	7	-	\$ 926	\$ -	2,454	-	
	Prescriptive/Custom	4	-	\$ 8	\$ -	365	-	
Energy Solutions for Business	Energy Management <sup>2</sup>	-	-	\$ -	\$ -	-	-	
	Engineered Solutions <sup>2</sup>	-	-	\$ -	\$ -	-	-	
	<b>Total Business</b>	<b>11</b>	<b>-</b>	<b>\$ 934</b>	<b>\$ -</b>	<b>2,819</b>	<b>-</b>	
<b>Other Programs</b>								
	Home Optimization & Peak Demand Reduction	-	-	\$ -	\$ -	-	-	
	<b>Total Other</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	
	<b>Portfolio Total</b>	<b>11</b>	<b>-</b>	<b>\$ 934</b>	<b>\$ -</b>	<b>2,819</b>	<b>-</b>	
	<b>Supportive Costs Outside Portfolio</b>			<b>\$ -</b>	<b>\$ -</b>			

<sup>1</sup> - Customers with average annual peak demand less than 200 kW.

<sup>2</sup> - Expenditures for Energy Management and Engineered Solutions will not be reflected in this table until the completion of the projects, which is when energy savings are claimed.

## Appendix E - Annual Baseline Calculation

Annual Baseline Calculation												Appendix E
Energy Efficiency Compliance Baselines and Benchmarks (therms)												
Gas Utility	Plan Year	Sales Period	Sales (therms)	Adjustments	Adjusted Retail Sales	Compliance Baseline <sup>2</sup>	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) <sup>1</sup>	(F) = (E) * (D)	(G) <sup>1</sup>	(H) = (G) * (D)	(I) <sup>1</sup>	(J) = (I) * (D)
NJNG	2020	7/1/19 - 6/30/20	672,480,094	5,866,252	666,613,842							
	2021 <sup>3</sup>	7/1/20 - 6/30/21	699,330,177	6,556,593	692,773,584							
	2022	7/1/21 - 6/30/22	687,821,314	5,642,322	682,178,992							
						680,522,140	0.50%	3,402,611	0.16%	1,088,835	0.34%	2,313,775
						68,052,214 (Dth)						
<p>(A) Includes calendar sales for firm and interruptible service classifications.</p> <p>(B) Includes adjustments to remove Distributed Generation volumes.</p> <p><sup>1</sup> - (E,G,I) No formal targets established for PY22 in the June 2020 CEA Framework Order.</p> <p><sup>2</sup> - Calculated as average annual gas usage in the prior three plan years (July - June) per N.J.S.A. 48:3-87.9(a).</p> <p><sup>3</sup> - Adjusted retail sales for 2021 to match actuals, previous quarterly reports (PY1 Q1-Q2-Q3) reflected estimates.</p>												