

Office of Clean Energy

**Comprehensive Energy Efficiency & Renewable Energy
Resource Analysis Straw Proposal**

***New Jersey's Clean Energy Program*TM
Proposed Funding Levels FY18**

DRAFT- May 31, 2017

TABLE OF CONTENTS

List of Acronyms	3
Executive Summary	4
1. History/Background	4
3. Goals/Objectives of CRA	5
4. Program Evaluation	6
5. Recommendations	7
Proposed Funding Levels	9
Utilization of Funding	9
State Energy Initiatives	12
Renewable Energy Funding	12
Proposed Savings Goals	12
SBC Collection Schedule	12
6. Conclusion	15

LIST OF ACRONYMS

- Board or BPU: New Jersey Board of Public Utilities
- BPI: Building Performance Institute
- C&I: Commercial & Industrial
- CHP: Combined Heat and Power
- CEEEP: Rutgers Center for Energy, Economic & Environmental Policy
- CRA: Comprehensive Energy Efficiency & Renewable Energy Resource Analysis
- DEP: Department of Environmental Protection
- DER: Distributed Energy Resource
- DI: Direct Install Program
- EDA: Economic Development Authority
- EDECA: Electric Discount and Energy Competition Act
- EE: Energy Efficiency
- EMP: Energy Master Plan
- FY: Fiscal Year
- LEUP: Large Energy Users Program
- NASEO: National Association of State Energy Officials
- NJCEP: New Jersey's Clean Energy Program
- NJIT: New Jersey Institute of Technology
- OCE: Office of Clean Energy
- OEM: Office of Emergency Management
- OSW: Offshore Wind
- RE: Renewable Energy
- RFP: Request for Proposal
- RPS: Renewable Portfolio Standard
- RULESS: Rutgers University Laboratory for Energy Smart Systems
- SBC: Societal Benefits Charge
- SREC: Solar Renewable Energy Certificates
- SRP: SREC Registration Program
- TCNJ: The College of New Jersey

EXECUTIVE SUMMARY

On February 9, 1999, the Electric Discount and Energy Competition Act was signed into law, which, among other things, created the societal benefits charge to fund programs for the advancement of energy efficiency and Class I renewable energy technologies and markets in New Jersey. The Act also charged the New Jersey Board of Public Utilities with initiating proceedings and undertaking a comprehensive energy efficiency and renewable energy resource analysis in New Jersey. The comprehensive resource analysis would be used to determine the level of funding for energy efficiency and Class I renewable energy programs statewide. Collectively, these programs form New Jersey's Clean Energy Program™. Over the years, the programs have significantly reduced energy usage, delivered clean, local sources of renewable energy and resulted in billions of dollars of energy cost savings to New Jersey ratepayers.

This straw proposal recommends the funding level for FY18, highlights recent accomplishments, and describes the framework on which New Jersey's Clean Energy Program will continue to deliver innovative, cost-effective programs throughout the state. The proposed funding level will support five funding categories including: 1) Energy Efficiency; 2) Distributed Energy Resources; 3) Renewable Energy; 4) NJCEP Administration; and, 5) State Energy Initiatives. The total recommended funding for FY18 programs is \$344,665,000, the same level of funding approved for FY17.

NJCEP will continue to deliver a full suite of programs in FY18. The clean energy programs will focus on delivering high-level service to program participants and increasing energy and cost savings to customers across the state.

1. HISTORY/BACKGROUND

The Board initiated its first CRA proceeding in 1999 and issued the first CRA Order in 2001. The 2001 Order set funding levels, the programs to be funded, and the budgets for each of those programs for the years 2001 through 2003. Since then, the Board has issued numerous orders setting the funding levels, related programs, and program budgets for the years 2004 – fiscal year 2017.¹

From 2001 to 2006 the programs were managed by the state's electric and natural gas utilities. In 2004, the Board determined it would manage NJCEP going forward and in 2005-2006, the Board issued RFPs to contract the necessary administrative services. In 2006 Honeywell, Inc. was engaged to manage the RE and residential EE programs, and TRC Energy Solutions (TRC) was engaged to manage the C&I EE programs. In 2007, Applied Energy Group (AEG) was engaged as the NJCEP Program Coordinator. These contracts, following multiple extensions, terminated on March 31, 2016.

In April 2015, the Board, through the Department of the Treasury, Division of Purchase and Property (Treasury), issued RFP 16-X-23938 seeking proposals for a single Program

¹ In the early years, the budgets and programs were based on calendar years, but in 2012, the Board determined to begin basing the budgets and programs on fiscal years to align with the overall State budget cycle.

Administrator to provide the services then being provided by Honeywell, TRC, and AEG (2015 RFP). On December 1, 2015, Treasury awarded the Program Administrator contract to AEG. Subsequently, on January 13, 2017, TRC Environmental Corporation acquired, AEG's New Jersey operation including the NJCEP Program Administrator contract from AEG and assumed AEG's rights and obligations thereunder. TRC has subcontracted portions of the work under its contract to CLEAResult Consulting Inc.; ICF Resources, LLC; and Energy Futures Group, Inc. AEG and subsequently, TRC have managed programs since March 1, 2016 which marked the conclusion of the transition period set out in the RFP.

2. GOALS/OBJECTIVES OF CRA

Setting clear and actionable policy goals and objectives is integral to the long-term success of NJCEP. The first step in the planning process – establishing policy objectives – is the most important. Clarity regarding the Board's priorities is integral to rationalizing decisions regarding where and how to invest NJCEP resources. Operational goals and objectives that help guide the implementation of the NJCEP programs are equally important and should support the overarching policy objectives.

The Energy Master Plan provides a useful reference for NJCEP-specific policy objectives. Policy considerations gleaned from the EMP that guided the NJCEP objectives include:

- Energy efficiency is the most cost-effective way to lower energy costs.
- Energy efficiency programs should focus on both reducing energy usage and lowering peak demand, which can further lower costs for all ratepayers.
- While energy efficiency programs are the cheapest source of energy, the Board must consider the funding impact on non-participating customers.
- Energy efficiency programs and renewable energy contribute to the State's overall economic development and create in-State jobs.
- Energy efficiency and renewable energy programs deliver environmental and health benefits and lower peak energy costs, both of which benefit all ratepayers, including non-participating customers.
- Energy efficiency and renewable energy programs must undergo regular and rigorous evaluation to confirm projected costs, energy savings and economic benefits.
- The promotion of in-State renewable energy resources can reduce emissions while promoting economic development.
- Energy savings must be considered comprehensively. Those savings that NJCEP programs deliver should complement other non-NJCEP activities such as stricter building codes, higher appliance standards, utility programs, and EE in State-owned facilities.
- Energy efficiency and renewable energy programs should reach across sectors including residential, commercial and governmental, etc. and be accessible to distressed communities.

These considerations provided a starting point for discussions on what the long-term goals and objectives of NJCEP should be. TRC worked closely with BPU Commissioners, Senior Staff and OCE Staff to develop NJCEP objectives.

3. PROGRAM EVALUATION

Program evaluation is an integral component of proper program planning and reporting. Continuous program evaluation ensures ratepayer funds are being effectively spent on NJCEP programs and are achieving the energy savings targets set by the CRA process. The table below describes the planned evaluation activities for FY18.

Proposed FY18 Evaluation Activities

Fiscal Year	Evaluation Study Name^[1]	To be conducted by
FY 2018 <i>(July 1, 2017 to June 30, 2018)</i>	1. Impact Evaluation Studies ^[2] a. Residential Programs: i. Energy Efficient Products Program ii. Existing Homes Program (Home Performance with ENERGY STAR®) b. Commercial & Industrial Programs: i. Direct Install ii. Retrofit iii. Pay for Performance	3 rd Party Contractors /TBD
	2. C&I and Residential Baseline Study	3 rd Party Contractors /TBD
	3. Protocols Evaluation	Rutgers CEEEP (In Process)
	4. Planning Process (program planning, goal setting, and budgeting for FY18 through FY20)	TRC/BPU
	6. Cost-Benefit Analysis (Retrospective & Prospective)	Prospective: TRC Retrospective: TBD
	7. Evaluation & Research Plan Update	3 rd Party Contractors/TBD
	8. Protocols Update	TRC
	9. RPS Evaluation Study – Phase II	3 rd Party Contractors/TBD
	10. Analytics for Energy Policies	RULESS
	11. OSW Modeling Studies	Rutgers DMCS

4. RECOMMENDATIONS

The funding recommendations for FY18 considered the program’s historic results, and several proposed changes to the existing programs. The following table shows NJCEP program expenses, commitments and energy savings/generation since FY14:

^[1] The timeline for completing the evaluations may vary. Evaluations started in FY17 may/not be completed in the same fiscal year.

^[2] Impact evaluations will be conducted for the listed programs. Impact evaluations for all NJCEP programs in one year are not feasible given budget constraints.

**NJ Clean Energy Program
Historical Results**

Category	FY14	FY15	FY16**	FY17 YTD thru Dec 31, 2016
Expenses:				
Energy Efficiency	\$ 178,097,682	\$ 187,876,975	\$ 158,597,561	\$ 68,438,287
CHP	1,474,906	2,448,358	4,958,392	10,050,908
Renewable Energy	4,193,890	4,699,543	4,247,762	1,167,531
EDA Programs	5,524,016	2,877,474	202,606	-
NJCEP Admin	5,511,570	5,435,669	7,574,044	1,842,562
TRUE Grant	7,419,100	-	3,000,000	-
NJCEP Total Expenses	\$ 202,221,164	\$ 203,338,018	\$ 178,580,365	\$ 81,499,289
Year-end Commitments:				
Energy Efficiency	\$ 95,187,314	\$ 102,018,033	\$ 83,573,517	\$ 97,923,586
CHP	6,050,795	9,361,807	31,490,510	34,265,000
Renewable Energy	7,755,043	7,233,804	7,442,096	-
EDA Programs	8,106,179	13,438,007	9,123,680	9,123,680
NJCEP Admin	-	-	552,330	950,000
TRUE Grant	1,874,500	-	-	-
Total Commitments	\$ 118,973,832	\$ 132,051,651	\$ 132,182,133	\$ 142,262,266
Total Program Need:				
Energy Efficiency	\$ 273,284,995	\$ 289,895,008	\$ 242,171,078	\$ 166,361,873
CHP	7,525,702	11,810,165	36,448,902	44,315,908
Renewable Energy	11,948,933	11,933,347	11,689,858	1,167,531
EDA Programs	13,630,195	16,315,480	9,326,286	9,123,680
NJCEP Admin	5,511,570	5,435,669	8,126,374	2,792,562
TRUE Grant	9,293,600	-	3,000,000	-
NJCEP Total Need	\$ 321,194,996	\$ 335,389,669	\$ 310,762,498	\$ 223,761,554
Savings:				
Electric (Lifetime MWh)	6,040,321	6,596,626	5,196,520	1,755,315
Gas (Lifetime Dtherm)	16,657,595	14,611,466	19,448,885	10,022,366
Demand Reduction (kW)	80,245	113,442	69,668	24,866
Generation (MWh)	5,346,105	4,853,617	7,800,616	5,185,562

** Note: Several programs were temporarily suspended in FY16 due to program transition

Proposed Funding Levels

For FY18, Staff is proposing a one-year funding level of \$344,665,000 which is the same funding level as FY17.

Staff recommends that the FY18 funding level be allocated to budget categories as follows:

Proposed FY18 Funding Levels

Budget Category	New SBC Funding	Total FY18 Funding*
<i>Energy Efficiency:</i>		
Residential	\$ 49,846,906	\$ 50,249,371
Low Income	23,864,504	24,000,000
Commercial & Industrial	69,409,625	70,142,422
State Facilities	100,000	100,000
Subtotal Energy Efficiency	\$ 143,221,035	\$ 144,491,793
Distributed Energy Resources	8,735,203	9,000,000
Renewable Energy	2,585,321	2,600,000
EDA Programs	-	108,166
NJCEP Administration	6,862,441	6,910,000
NJCEP Total	\$ 161,404,000	\$ 163,109,959
State Energy Initiatives	183,261,000	183,261,000
Grand Total	\$ 344,665,000	\$ 346,370,959

* Includes new SBC FY18 funding, other FY18 resources (including loan repayments and interest), and unspent/uncommitted funds from FY17 being reallocated among all funding categories. This amount does not include committed balances in each program that will carry over to fund future incentive payments.

Utilization of Funding

The long-term direction for the NJCEP suite of programs will be based upon several common themes including:

- A customer-focused approach through outreach
- Early Account Manager/Case Manager coordination with customers
- Determining customer goals before deciding on program path
- Tiered paths based upon customer goals vs. a wide variety of individual programs (single measure, multi measure and comprehensive/whole building)

The overarching principles and tiered approach will apply to the redesigned C&I and residential program paths as well as the new multifamily program that is under development. This approach encourages more up-front customer interaction for those

looking to implement multiple or comprehensive measures and will allow customers to understand the full scope of energy efficiency/savings opportunities and make decisions based upon their goals, budgets and plans as opposed to trying to fit a project into the existing portfolio of programs. It will also result in longer term customer engagement which can result in deeper energy savings over time.

The FY18 funding levels will be used for the following programs/initiatives.²

- Residential EE
 - Residential HVAC – Electric and Gas: The Residential Gas and Electric HVAC Program provides rebates to customers that purchase high efficiency heating and cooling equipment such as furnaces and central air conditioners.
 - Residential New Construction: The Residential New Construction Program provides financial incentives to builders that construct new homes meeting the New Jersey Energy Star Homes standards, which exceed the requirements of existing energy codes.
 - Energy Efficient Products: The Energy Efficient Products Program provides financial incentives and support to retailers that sell energy efficient products, such as appliances, appliance recycling, or LED light bulbs.
 - Home Performance with ENERGY STAR: The Home Performance with ENERGY STAR Program relies on contractors that are BPI-certified and incentivizes the installation of whole-house energy conservation measures, such as new HVAC, air sealing, insulation, etc. in existing homes.
- Low Income: The Residential Low-Income/Comfort Partners Program provides for the installation of energy conservation measures at no cost to income-qualified customers.
- C&I EE
 - C&I New Construction: The C&I New Construction Program provides rebates and other incentives to commercial and industrial customers that design and build energy efficient buildings.
 - C&I Retrofit: The C&I Retrofit Program provides rebates and other incentives to commercial and industrial customers that install high efficiency equipment in existing buildings.
 - Pay-for-Performance: The Pay-for-Performance Program provides incentives for new construction and existing buildings based on the level of energy savings delivered rather than a prescribed rebate for the installation of a specific measure.
 - Local Government Energy Audit: The Local Government Energy Audit Program offers subsidized energy efficiency audits to governmental entities, municipalities, school districts and non-profits.

² The programs and their terms are subject to change from time-to-time. Staff anticipates circulating for comment draft FY18 compliance filings which include program descriptions and detailed budgets.

- Direct Install: The Direct Install Program provides incentives for the installation of energy efficiency measures in small commercial buildings and non-profits.
- Large Energy Users Program: The Large Energy Users Program provides incentives to the State's largest energy users through a streamlined program approach.
- Customer-Tailored Pilot Program: The Custom-Tailored Pilot provides flexible services designed to meet the individual needs of medium to large C&I customers that fall between the DI program for small C&I customers and the LEUP for the largest C&I customers. Services will include technical assistance, custom-calculated incentives, and possible financing.
- New Multi-Family Program: Multi-family homes are currently served by a number of programs. In FY18, staff intends to propose a new multi-family program that will serve all multi-family customers regardless of building type or utility rate classification.
- State Facilities: The State Facilities Initiative implements and funds energy efficiency and energy savings projects for State-owned and operated buildings and grounds. This includes air handling and movement, lighting and equipment upgrades and replacements, and other energy efficient measures. There are several projects that have been completed or are in the audit phase and will be ready to start design and implementation stages in FY18.
- Distributed Energy Resources (DER):
 - CHP and Fuel Cell Systems: The CHP and Fuel Cell component provides incentives for the installation of CHP and fuel cell with heat recovery systems including biomass powered systems.
 - Renewable Energy Storage: Provides incentives for renewable energy storage systems.
 - Microgrid: This program provides incentives to fund feasibility studies for potential DER microgrids in New Jersey.
- Renewable Energy:
 - The SREC Registration Program registers projects that are eligible to generate and trade SRECs.
- NJCEP Administration
 - Administration and Overhead: OCE Staff expenses and overhead.
 - Marketing: Includes funding for marketing and related expenses.
 - Evaluation and Related Research: Includes funding for program evaluation activities proposed above and other evaluation-related initiatives.
 - Outreach and Education: Includes a strategic outreach plan to be implemented by the Program Administrator. It also includes grants to state colleges and universities, such as, Rutgers, NJIT, and TCNJ for example.
 - Other/Memberships: Includes funding for the National Association of State Energy Officials
- State Energy Initiatives: \$183,261,000 in SBC funds will be allocated to fund the State's energy initiatives and utility bills.

State Energy Initiatives

The expenditure for State energy initiatives recognizes that the State's EE initiatives extend beyond the BPU. Through energy efficiency efforts implemented by sister agencies, such as the office of Air Quality, Energy and Sustainability in DEP, the State conducts valuable research on clean energy technologies. By supporting sister agencies, the NJCEP is furthering its commitment to EE and RE programs. Likewise, NJ Transit aims to implement strategic energy efficiency initiatives to lower utility costs. Such efforts have a direct impact on utility costs and should be encouraged.

Renewable Energy Funding

The funding requested in this CRA for renewable energy programs in New Jersey is a fraction of the total contribution made by ratepayers to support the development of renewable energy. It does not include other costs, such as: the cost of compliance with NJ's RPS; the value provided through net metering of customer-sited renewables; and utility managed RE programs. In addition, the proposed DER budget includes funding for RE Storage and biomass powered CHP systems.

Proposed Savings Goals

The FY18 energy savings goals are derived using a bottoms-up approach to program planning based on the anticipated participation for each NJCEP program.

The energy savings goals were generated by making measure-level projections for each NJCEP program. These measure-level projections roll up into program-level projections, which in turn roll up into sector-level projections. The measure-level projections are based on a multitude of factors including past program participation, changes to programs that impact participation, changes in the marketplace (i.e. new building codes), and overall regional and national trends. Specific savings goals will be included in the compliance filings submitted by each program manager.

SBC Collection Schedule

The Board has utilized the same method and assumptions for allocating the overall statewide funding level to individual utilities over the past several years. However, given recent changes in the relative costs of electricity and natural gas, Staff recommends that the Board use updated assumptions for allocating the funding to utilities in FY18.

For FY18, Staff recommends that the allocation of the funding to utilities be updated utilizing more recent revenue and sales forecasts. Specifically, New Jersey Natural Gas has provided Staff with the following tables from the statewide Universal Service proceeding that forecasts electric and natural gas operating jurisdictional revenues and normalized monthly sales:

NJ Utility Jurisdictional Operating Revenue and Volume					
Source: Accounting email in workpaper folder					
Gas Operating Jurisdictional Revenues*			Electric Operating Jurisdictional Revenues		
	(\$000)			(\$000)	
Public Service Gas	\$1,580,943	53.6%	Public Service Electric	3,985,941	57.1%
NJNG	\$603,887	20.5%	JCP&L	1,709,504	24.5%
Elizabethtown	\$288,326	9.8%	Atlantic Electric	1,096,534	15.7%
South Jersey	\$474,370	16.1%	Rockland Electric	187,185	2.7%
Total	\$2,947,526	100.00%	Total	6,979,165	100.00%
*Excludes therms related to LCAPP legislation					
Calculation of Allocation between Gas and Electric					
Gas Revenue	\$2,947,526	30%			
Electric Revenue	\$6,979,165	70%			
Total Revenue	\$9,926,691				

Projected Sales Volumes														
Estimates of Normalized Jurisdictional Sales														
Units in (000s)														
	2016	2016	2016	2017	2017	2017	2017	2017	2017	2017	2017	2017	2017	Total
	October	November	December	January	February	March	April	May	June	July	August	September		
Gas Therms*														
NJNG	33,697	66,838	108,993	131,633	109,985	89,392	48,848	25,828	19,186	19,459	18,996	19,008	691,864	
ETG	20,451	37,755	59,056	76,770	81,985	68,143	47,091	28,592	18,586	16,192	15,901	16,303	486,825	
PSE&G	121,082	219,554	385,438	500,355	460,965	400,158	281,042	166,475	112,242	99,650	88,008	104,013	2,938,982	
SJG	24,888	40,343	69,759	94,411	89,732	83,296	54,123	31,681	25,569	22,410	21,604	23,159	580,976	
Total	200,119	364,490	623,245	803,169	742,666	640,990	431,104	252,576	175,584	157,712	144,509	162,483	4,698,647	
Electric MWH														
ACE	681,803	596,525	662,266	708,288	790,836	668,114	670,296	498,193	682,701	902,544	979,271	884,447	8,725,284	
JCP&L	1,532,083	1,561,478	1,754,806	1,701,178	1,567,081	1,525,156	1,421,666	1,500,456	1,792,394	2,190,043	2,127,574	1,647,756	20,321,671	
PSE&G	3,051,632	2,931,031	3,378,069	3,532,289	3,424,568	3,290,678	3,005,296	3,002,022	3,436,153	4,213,222	4,158,144	3,742,310	41,165,413	
RECO	125,912	115,097	128,203	144,602	128,617	118,294	113,025	115,561	136,957	166,915	176,540	161,106	1,630,829	
Total	5,391,430	5,204,131	5,923,344	6,086,357	5,911,102	5,602,242	5,210,283	5,116,232	6,048,205	7,472,724	7,441,529	6,435,619	71,843,197	
*Gas sales exclude wholesale therms														

Staff utilized the revenue and sales projection from the tables above to develop the proposed monthly utility payments. The table on the next page sets out the proposed monthly payments to the Trust Fund due from each utility.

Monthly Utility Funding Levels													
FY18	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
ACE	\$3,040,040.81	\$3,298,480.52	\$2,979,084.65	\$2,296,518.45	\$2,009,276.38	\$2,230,711.93	\$2,385,727.93	\$2,663,774.52	\$2,250,409.76	\$2,257,759.39	\$1,678,064.51	\$2,299,543.18	\$29,389,392.03
JCP&L	\$7,376,726.34	\$7,166,311.88	\$5,550,139.92	\$5,160,518.32	\$5,259,529.56	\$5,910,716.66	\$5,730,081.35	\$5,278,402.15	\$5,137,186.09	\$4,788,600.51	\$5,053,989.03	\$6,037,324.39	\$68,449,526.20
PS-Electric	\$14,191,405.10	\$14,005,883.38	\$12,605,229.98	\$10,278,817.05	\$9,872,599.23	\$11,378,356.88	\$11,897,815.27	\$11,534,978.28	\$11,083,997.06	\$10,122,744.82	\$10,111,718.52	\$11,574,001.23	\$138,657,546.80
RECO	\$562,220.14	\$594,640.04	\$542,653.67	\$424,109.65	\$387,681.46	\$431,826.43	\$487,063.21	\$433,220.91	\$398,449.92	\$380,702.34	\$389,244.35	\$461,312.54	\$5,493,124.66
NJN	\$425,187.04	\$415,055.42	\$415,328.10	\$736,287.80	\$1,460,402.82	\$2,381,488.83	\$2,876,181.12	\$2,403,162.84	\$1,953,223.10	\$1,067,338.82	\$564,348.60	\$419,222.27	\$15,117,226.76
Etown	\$353,795.10	\$347,436.76	\$356,220.45	\$446,854.23	\$824,946.53	\$1,290,373.25	\$1,677,424.05	\$1,791,371.77	\$1,488,924.15	\$1,028,938.07	\$624,735.03	\$406,103.99	\$10,637,123.38
PS-Gas	\$2,177,357.76	\$1,922,979.04	\$2,272,689.80	\$2,645,645.34	\$4,797,252.68	\$8,421,812.00	\$10,932,753.03	\$10,072,077.71	\$8,743,457.17	\$6,140,757.87	\$3,637,467.61	\$2,452,494.57	\$64,216,744.58
SJG	\$489,660.01	\$472,055.86	\$506,019.86	\$543,811.74	\$881,504.67	\$1,524,235.59	\$2,062,869.44	\$1,960,633.33	\$1,820,022.42	\$1,182,583.19	\$692,229.97	\$558,689.51	\$12,694,315.59
Total	\$28,616,392.30	\$28,222,842.90	\$25,227,366.43	\$22,532,562.58	\$25,493,193.33	\$33,569,521.57	\$38,049,915.40	\$36,137,621.51	\$32,875,669.67	\$26,969,425.01	\$22,751,797.62	\$24,208,691.68	\$344,655,000.00

5. CONCLUSION

Staff's straw proposal for the FY18 CRA is intended to recognize the value of energy efficiency as a foundational energy resource that, when delivered cost-effectively, reduces the cost of energy for all ratepayers while providing additional benefits, including the health benefits associated with improved air quality, lower environmental compliance costs, increased grid reliability, and economic development opportunities in the form of local jobs and a more competitive business environment.

DRAFT