



DOCKET NOS. QO1901040, QO19060748 & QO17091004

Dear Secretary Camacho-Welch:

Pursuant to the Board’s current filing procedures, herein is the Quarterly Progress Report for the third quarter (“Q3”) of Program Year 2022¹ (“PY22”) of Rockland Electric Company (“RECO” or the “Company”) with respect to its Clean Energy Act of 2018 Energy Efficiency (“EE”) and Peak Demand Reduction (“PDR”) Programs.

Energy Efficiency Program Progress - Executive Summary

RECO continued outreach, education, and marketing efforts to trade allies and customers in Q3. Additionally, the Company continued to build its tracking database and internal and external program communications. RECO continued ramping up the new programs and claimed increased energy savings in Q3.

Figure 1 shows 25% of the year-to-date energy savings goal has been achieved through Q3, while 26% of the annual budget was spent.

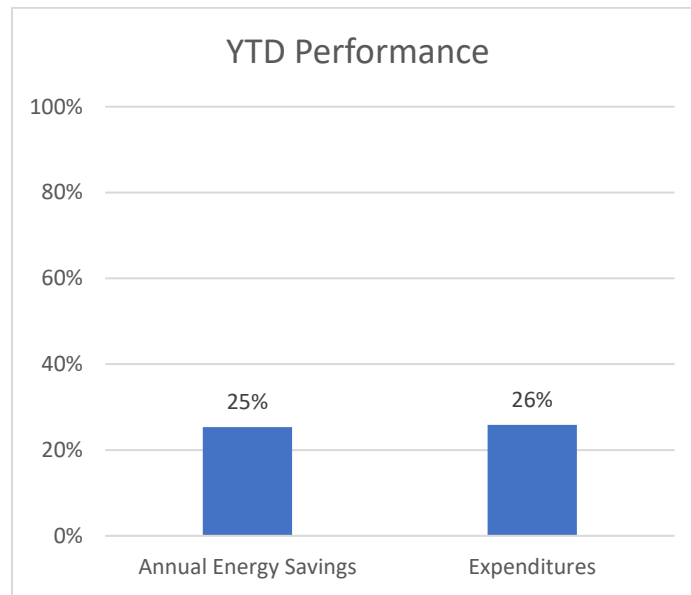


Figure 1: YTD Performance of Annual Energy Savings and Budget

¹ For the purposes of these quarterly reports, the numbering of the quarters align to these dates: **Q1** (7/1/21-9/30/21); **Q2** (10/1/21 - 12/31/21); **Q3** (1/1/22 - 3/31/22); **Q4** (4/1/22 - 6/30/22).

Table 1 – Quarterly Progress Table

	Current Quarter Retail Savings ¹	YTD Retail Savings ²	Current Quarter Wholesale Savings ³	Energy Efficiency Baseline ⁴ (MWh)	YTD Savings as Percent of Baseline	Annual Utility Retail Savings Target (MWh)	Percent of Annual Target Achieved
Annual Energy Savings (MWh)	1,323	2,285	1,368	1,557,016	0.15%	9,007	25%
Lifetime Savings (MWh)	16,721	26,721	17,297				
Annual Demand Savings (MW)	0.1	0.4	0.1				
Low/Moderate-Income Lifetime Savings (MWh) ⁵	0.0	0.0	0.0				
Small Commercial Lifetime Savings (MWh) ⁶	0.0	0.0	0.0				

¹ Calculated savings at the retail (customer meter) level. Savings are estimated from participation counts and TRM calculations, where applicable.

² Encompasses all ex-ante savings for plan year, including prior period adjustments.

³ 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.

⁴ Calculated as average annual electricity usage in the prior three calendar years per N.J.S.A. 48:3-87.9(a).

⁵ Low/Moderate-Income lifetime savings are the total of Comfort Partners, or any income-qualified Residential or Multi-Family program.

⁶ Small Commercial lifetime savings are Direct Install program savings and those from commercial and industrial ("C&I") small business customers (<200 kW peak demand) in other programs.

Sector-Level Participation, Expenditures, and Annual Energy Savings

In Q3, the Company continued to move forward with the implementation of energy efficiency and peak demand reduction program offerings. Several contracts with program implementers were finalized, and additional contracts are expected to be completed in the next quarter. RECO has continued to build its trade ally network, and these efforts have resulted in increased participation and savings in Q3, a trend the Company expects to continue.

Table 2 – Quarterly Sector-Level Participation

Sector ¹	Current Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	6,268	12,463	2,094	595%
Multi-Family	0	0	22	0%
C&I	20	20	246	0%
Reported Totals for Utility Administered Programs	6,288	12,483	2,362	595%
Comfort Partners ²	5	6	50	0%
Pilot Programs	166	177	873	20%
Utility Total	6,459	12,666	3,285	386%

¹ Please note that these numbers are totals across all programs within a sector. The appendix shows the participation numbers for individual programs.

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

Q3 expenditures were attributable to program start up, utility administration, marketing related expenses, and program incentives.

Table 3 – Quarterly Sector-Level Expenditures

Expenditures ¹	Current Quarter Expenditures	YTD Expenditures	Annual Budget Expenditures	Percent of Annual Budget
Residential	228	662	1,729	38%
Multi-Family	30	37	330	11%
C&I	273	443	2,153	21%
Reported Totals for Utility Administered Programs	532	1,142	4,212	27%
Comfort Partners	19	31	430	7%
Pilot Programs	40	145	766	19%
Utility Total	590	1,318	5,408	24%

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

1,330 MWh were realized in Q3.

Table 4 – Quarterly Sector-Level Annual Energy Savings

Annual Energy Savings ¹	Current Quarter Retail (MWh)	YTD Retail (MWh)	Annual Target Retail (MWh)	Percent of Annual Target
Residential	1,027	1,989	3,832	52%
Multi-Family	0	0	268	0%
C&I	295	295	4,907	6%
Reported Totals for Utility Administered Programs	1,323	2,285	9,007	25%
Comfort Partners	7	8	47	17%
Pilot Programs ²	0	0	2,169	0%
Utility Total	1,330	2,293	9,054	25%

¹ Annual energy savings represent the total expected annual savings from all energy efficiency measures within each sector.

² Savings are in MMBtu and are not included in the Portfolio MWh Total.

Portfolio Expenditures Breakdown

Portfolio expenditures consist of utility administration, outreach and education to trade allies and customers, marketing related expenses, and customer rebates.

Table 5 – Quarterly Costs and Budget Variances by Category¹

Total Utility EE/PDR	Quarter Reported	YTD Reported	Full Year Budget	Percent of Budget Spent
Capital Costs	0	0	0	0%
Utility Administration	32	156	324	48%
Marketing	18	75	174	43%
Outside Services	225	724	1,338	54%
Rebates	296	332	2,535	13%
No- or Low-Interest Loans	0	0	355	0%
Evaluation, Measurement & Verification (“EM&V”)	0	0	209	0%
Inspections & Quality Control	0	0	43	1%
Utility Total	572	1,287	4,978	26%

¹ Categories herein align to RECO's EE plan as approved by the BPU.

Equity Metrics

Equity metrics are categorized by program participation, energy savings, and lifetime energy savings. The Company anticipates conducting targeted outreach to overburdened communities, providing additional opportunities to participate in cost-effective energy efficiency programs.

Table 6 – Quarterly Equity Performance

Territory-Level Benchmarks	Overburdened	Non-Overburdened	Ratio
# of Household Accounts	565	64,046	0.009
# of Business Accounts	79	8,694	0.009
Total Annual Energy (MWh)	7,835	1,565,654	0.005

Program	Sub Program	Type of Sub Program/ Offering	Quarter Overburdened	Quarter Non-Overburdened	Ratio	YTD Overburdened	YTD Non-Overburdened	Ratio
Participation								
Efficient Products	Behavioral	Core	289	32,711	0.01	289	32,711	0.01
	Online Marketplace	Core	9	2,241	0.00	9	2,241	0.00
	Retail Lighting Midstream	Core	0	3,817	0.00	0	9,655	0.00
	HVAC Midstream	Core	0	6	0.00	0	6	0.00
	Appliance Rebates	Core	0	195	0.00	0	195	0.00
Existing Homes	Home Performance with Energy Star (includes Quick Home Energy Check)	Core	n/a	n/a	n/a	n/a	n/a	n/a
	Moderate Income Weatherization	Core	0	0	n/a	0	0	n/a
C&I Direct Install	N/A	Core	0	0	n/a	0	0	n/a
C&I Rebate Program	Prescriptive/Custom C&I	Core	1	19	0.05	1	19	0.05
	Energy Management	Core	0	0	n/a	0	0	n/a
	Engineered Solutions	Core	0	0	n/a	0	0	n/a
Multi-Family	N/A	Core	0	0	n/a	0	0	n/a
Peak Demand Reduction	Bring Your Own Thermostat	Additional	0	166	0.00	0	177	0.00
	Commercial System Relief Program	Additional	0	0	n/a	0	0	n/a
	Behavioral DR	Additional	0	0	n/a	0	0	n/a
Clean Heat Beneficial Electrification	N/A	Additional	0	0	n/a	0	0	n/a
Total Core Participation			299	38,989	0.01	299	44,827	0.01
Total Additional Participation			0	166	0.00	0	177	0.00
Total Participation			299	39,155	0.01	299	45,004	0.01
Annual Energy Savings (MWh)								
Efficient Products	Behavioral	Core	1.38	156.62	0.01	1.38	156.62	0.01
	Online Marketplace	Core	1.43	250.76	0.01	1.43	250.76	0.01
	Retail Lighting Midstream	Core	0.00	555.00	0.00	0.00	1516.95	0.00
	HVAC Midstream	Core	0.00	2.86	0.00	0.00	2.86	0.00
	Appliance Rebates	Core	0.00	59.30	0.00	0.00	59.30	0.00
Existing Homes	Home Performance with Energy Star (includes Quick Home Energy Check)	Core	0.00	0.00	n/a	0.00	0.00	n/a
	Moderate Income Weatherization	Core	0.00	0.00	n/a	0.00	0.00	n/a
C&I Direct Install	N/A	Core	0.00	0.00	n/a	0.00	0.00	n/a
C&I Rebate Program	Prescriptive/Custom C&I	Core	8.20	286.99	0.03	8.20	286.99	0.03
	Energy Management	Core	0.00	0.00	n/a	0.00	0.00	n/a
	Engineered Solutions	Core	0.00	0.00	n/a	0.00	0.00	n/a
Multi-Family	N/A	Core	0.00	0.00	n/a	0.00	0.00	n/a
Peak Demand Reduction	Bring Your Own Thermostat	Additional	0.00	0.00	n/a	0.00	0.00	n/a
	Commercial System Relief Program	Additional	0.00	0.00	n/a	0.00	0.00	n/a
	Behavioral DR	Additional	0.00	0.00	n/a	0.00	0.00	n/a
Clean Heat Beneficial Electrification	N/A	Additional	0.00	0.00	n/a	0.00	0.00	n/a
Total Core Participation			11.02	1311.53	0.01	11.02	2273.48	0.00
Total Additional Participation			0.00	0.00	n/a	0.00	0.00	n/a
Total Participation			11.02	1311.53	0.01	11.02	2273.48	0.00
Lifetime Energy Savings (MWh)								
Efficient Products	Behavioral	Core	1.38	156.62	0.01	1.38	156.62	0.01
	Online Marketplace	Core	15.74	3295.28	0.00	15.74	3295.28	0.00
	Retail Lighting Midstream	Core	0.00	8325.00	0.00	0.00	22754.18	0.00
	HVAC Midstream	Core	0.00	44.47	0.00	0.00	44.47	0.00
	Appliance Rebates	Core	0.00	453.68	0.00	0.00	453.68	0.00
Existing Homes	Home Performance with Energy Star (includes Quick Home Energy Check)	Core	0.00	0.00	n/a	0.00	0.00	n/a
	Moderate Income Weatherization	Core	0.00	0.00	n/a	0.00	0.00	n/a
C&I Direct Install	N/A	Core	0.00	0.00	n/a	0.00	0.00	n/a
C&I Rebate Program	Prescriptive/Custom C&I	Core	123.06	4304.90	0.03	123.06	4304.90	0.03
	Energy Management	Core	0.00	0.00	n/a	0.00	0.00	n/a
	Engineered Solutions	Core	0.00	0.00	n/a	0.00	0.00	n/a
Multi-Family	N/A	Core	0.00	0.00	n/a	0.00	0.00	n/a
Peak Demand Reduction	Bring Your Own Thermostat	Additional	0.00	0.00	n/a	0.00	0.00	n/a
	Commercial System Relief Program	Additional	0.00	0.00	n/a	0.00	0.00	n/a
	Behavioral DR	Additional	0.00	0.00	n/a	0.00	0.00	n/a
Clean Heat Beneficial Electrification	N/A	Additional	0.00	0.00	n/a	0.00	0.00	n/a
Total Core Participation			140.18	16579.95	0.01	140.18	31009.12	0.00
Total Additional Participation			0.00	0.00	n/a	0.00	0.00	n/a
Total Participation			140.18	16579.95	0.01	140.18	31009.12	0.00