



One South Jersey Plaza  
Atlantic City, NJ 08037

T: (609) 694-9349

[ddirocco@sjindustries.com](mailto:ddirocco@sjindustries.com)

**Dominick DiRocco, Esq.**  
VP, Rates and Regulatory

May 30, 2024

**VIA ELECTRONIC MAIL ONLY**

Sherrri Golden, Board Secretary  
New Jersey Board of Public Utilities  
44 S. Clinton Avenue  
P.O. Box 350  
Trenton, NJ 08625  
[Sherrri.Golden@bpu.nj.gov](mailto:Sherrri.Golden@bpu.nj.gov)

**Re: Quarterly Progress Report of Elizabethtown Gas Company – 3rd Quarter Program  
Year 2024  
DOCKET NOS. QO19010040 & GO20090619**

Dear Secretary Golden:

Pursuant to the Board’s current filing procedures, herein is the Quarterly Progress Report for the third quarter (“Q3”) of Program Year 2024<sup>1</sup> (“PY24”) of Elizabethtown Gas (“ETG” 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. E020030254, Order dated March 19, 2020, this document is being electronically filed. No paper copies will follow.

**Energy Efficiency Program Progress - Executive Summary:**

As of the third quarterly report, ETG continues to focus on implementing residential, multi-family and commercial programs and educating customers, contractors, and retailers on the portfolio of programs.

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<sup>1</sup> For the purposes of these quarterly reports, the numbering of the quarters align to these dates: **Q1** (7/1/23-9/30/23); **Q2** (10/1/23 - 12/31/23); **Q3** (1/1/24 - 3/31/24); **Q4** (4/1/24 - 6/30/24).

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

The Utilities continue to work on the development of the Statewide Coordinator (SWC) system that will facilitate the exchange of both investments and energy savings between a Lead Utility and a Partner Utility. As of Q3 PY24, user acceptance testing has been completed for all market segments – Residential, C&I and Multi-Family. ETG has exchanged data with partner utilities for the Residential programs, and received invoices for the Marketplace Program and Home Performance with Energy Star Program activity from electric partners. ETG is continuing to perform QA/QC on Residential HVAC, Quick Home Energy Check Up and Moderate-Income Weatherization programs. QA/QC of C&I and Multi-Family programs will follow. ETG and its Partner utilities will continue to exchange investment and energy savings data for prior period activity covering PY1-PY2, subject to completion of QA/QC. The information reflected within this report reflects all investments, financing and savings attributable to ETG as the Lead Utility, after accounting for inflows and outflows of investment transactions between the Lead Utility and a Partner Utility for the Marketplace Program and Home Performance with Energy Star Program, that have been successfully exchanged.

ETG programs delivered 50,735 DTh of savings in the third quarter, or approximately 20% of the annual target.

### Residential Sector

- Elizabethtown Gas has contracted Honeywell as the implementation party for the residential programs, save for the Marketplace Program and the Behavioral Program which will be served by Uplight.
- The Existing Homes Home Performance with Energy Star program reported 274 DTh in energy savings or approximately 4% of the program’s PY24 target. The Home Performance with ENERGY STAR Program saw 10 projects completed.
- The Behavioral program reported 36,258 DTh in energy savings or approximately 65% of the program’s PY24 target. The Behavioral Program had 159,670 customers in this quarter’s the treatment group.
- The Efficient Products program reported 8,673 DTh in energy savings or approximately 7% of the program’s PY24 target.
  - The Marketplace Program saw 412 participants in this quarter.
  - The Appliance Rebates Program saw 301 participants in this quarter.
    - ETG offers appliance rebates at 87 retail outlets including large and independently-owned stores.
  - The HVAC Program saw 490 participants in this quarter.
    - In this quarter, 16 of the HVAC program participants qualified for the supplemental incentive for Low to Moderate Income customers.
    - In this quarter, ETG expanded its number of participating contractors in the HVAC program to 67.

- The Quick Home Energy Check Up Program had 199 completed projects.
- The Moderate Income Weatherization Program had 74 completed projects.

### Commercial Sector

- Elizabethtown Gas has contracted Applied Energy Group as the implementation party for the Commercial Programs.
- Small Business Direct Install Program had 1 project completed and an additional 3 audits were completed during the reporting period.
- Prescriptive and Custom Program had 1 completed project in this quarter.
- The Engineered Solutions, and Energy Management Programs did not deliver any savings during the reporting period but outreach efforts to larger customers are in progress and we expect these programs to start to ramp up.

### Multi-Family Sector

- Elizabethtown Gas has contracted Honeywell as the implementation party for the Multi-Family Home Performance Program, and Multi-Family Direct Install Program.
- Elizabethtown Gas has contracted Applied Energy Group as the implementation party for Multi-Family Engineered Solutions and Multi-Family Prescriptive and Custom Programs
- The Multi-Family: Home Performance with Energy Star program saw 276 participants during this quarter.
- The Multi-Family Prescriptive program saw 2 participants during this quarter.
- Year to date, the Multi-Family sector has reported 7,057 DTh in energy savings or approximately 114% of the sector's PY24 target.

### Comfort Partners Summary

ETG continues to partner with the BPU and our utility partners to implement Comfort Partners and support our low income customers. Comfort Partners had 59 participants for this quarter resulting in 565 DTh annual savings.

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

**Table 1 – Program Year 2024 Program Results**

Period Covered	Utility-Administered Retail Savings (DTh) 1,2	Comfort Partners Retail Savings (DTh) 1,2	Other Programs Retail Savings (DTh)3	Total Portfolio Retail Savings (DTh) 1,2	Compliance Baseline (DTh) 4	Annual Target (%)	Annual Target (DTh)	Percent of Annual Target (%)
	(A)	(B)	(C)	(D) = (A)+(B)+(C)	(E)	(F)	(G) = (E)*(F)	(H) = (D) / (G)
Quarter	50,170	565	N/A	50,735				
YTD	147,280	871	N/A	148,150	49,317,899	.51%	251,521	59%

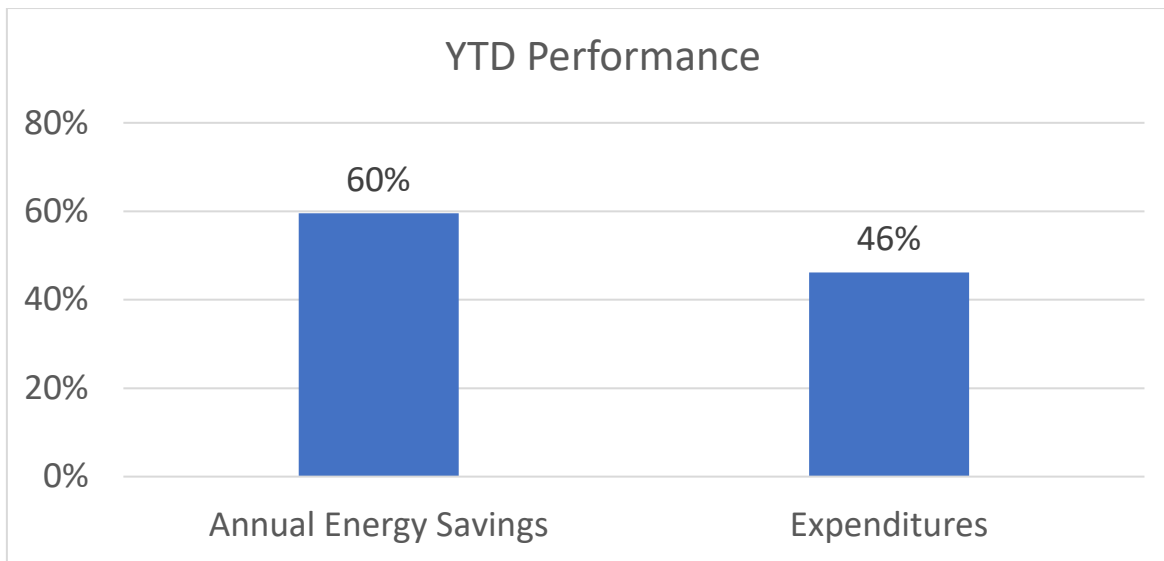
<sup>1</sup> Calculated savings at the retail (customer meter) level. Savings are estimated from participation counts and TRM calculations, where applicable.

<sup>2</sup> Encompasses all ex-ante savings for the Plan Year, including prior adjustments.

<sup>3</sup> Other Programs includes Company-specific programs that are not part of the Clean Energy Act (CEA) energy efficiency programs and Comfort Partners, such as legacy programs and pilots.

<sup>4</sup> Calculated as average annual gas usage in the prior three plan years (i.e., July – June) per N.J.S.A. 48:3-87.9(a). Details are provided in Appendix E.

Figure 1 shows that year to date natural gas savings is 60% of the PY24 annual savings goal, and program year to date spending is 46% of the PY24 expenditure target.



*Figure 1: YTD performance of Annual Energy Savings and Budget*

The Residential sector has represented 47% of the annual target savings. Low to Moderate-Income Savings was driven by the Moderate-Income Weatherization Program at 875

DTh in annual savings and 20,190 DTh in lifetime savings. This quarter, 1 Small Commercial project in the C&I Direct Install Program was completed for 804 DTh in annual savings.

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

**Table 2 – Quantitative Performance Indicators**

	Quarter				Year to Date				Annual Target <sup>1</sup>	Percent of Annual Target Achieved
	Utility-Administered Quarter Retail Savings	Comfort Partners Quarter Retail Savings	Other Programs Quarter Retail Savings	Total Portfolio Quarter Retail Savings	Utility-Administered YTD Retail Savings	Comfort Partners YTD Retail Savings	Other Programs YTD Retail Savings	Total Portfolio YTD Retail Savings		
Annual Energy Savings (Dth)	50,170	565	N/A	50,735	147,280	871	N/A	148,150	248,642	60%
Lifetime Savings (Dth)	275,078	10,188	N/A	285,265	1,064,832	16,281	N/A	1,081,113	2,081,109	52%
Annual Demand Savings (Dth Peak Day)										
Low/Moderate-Income Lifetime Savings (Dth) <sup>2</sup>	24,480	10,188	N/A	34,668	50,319	16,281	N/A	66,600		
Small Commercial Lifetime Savings (Dth) <sup>3</sup>	12,269		N/A	12,269	179,351		N/A	179,351		

<sup>1</sup> Annual targets reflect estimated impacts as filed in the Company’s EE filing

<sup>2</sup> Low/Moderate-Income lifetime savings are provided separately for Comfort Partners and any income-qualified Residential or Multi-Family program.

<sup>3</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.

**Sector-Level Participation, Expenditures, and Annual Energy Savings**

Residential Programs had 161,156 participants and delivered 46,783 DTh of energy savings during the reporting period, amounting to 19% of the overall PY24 target. The savings were driven by the Efficient Products program especially the Marketplace Program and the HVAC program delivering 6,994 and 1,553 DTh of energy savings respectively. The Efficient Products programs had 1,203 participants and delivered 8,673 DTh of energy savings. The Behavioral program had 159,670 participants and delivered 34,258 DTh of energy savings. The Multi-Family Programs had 278 participants and delivered 2,535 DTh of energy savings. The C&I Programs had 2 participants and delivered 852 DTh of energy savings. To date, the utility administered programs delivered 50,170 DTh in savings or 60% of the PY24 annual target.

Expenditures during the quarter are approximately 16% of the budget for PY24 and were driven by Residential Programs and cost sharing with our Partner Utility on multiple Residential Programs through Statewide Coordinator. The closing of multiple C&I and Multi-Family projects this quarter was also a contributing factor. We are partnering with our implementation teams to develop marketing and outreach plans to connect customers with trade allies, present projects, and establish a pipeline that will provide the participation needed to achieve our energy savings targets.

**Table 3 – Quarterly Sector-Level Participation**

Sector <sup>1</sup>	Current Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	161,156	167,546	194,465	86%
Multi-Family	278	852	1,219	70%
C&I	2	16	2,247	1%
Reported Totals for Utility Administered Programs	161,436	168,414	197,932	85%
Comfort Partners <sup>2</sup>	59	247	4,420	N/A
Utility Total	161,495	168,661	197,932	85%

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

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

### **Quarterly Level Expenditures**

The following table provides quarterly level expenditures by sector. Elizabethtown Gas’s expenses for this quarter were 20% of the PY24 budget.

**Table 4 – Quarterly Sector-Level Expenditures**

Expenditures <sup>1</sup>	Current Quarter Expenditures (\$000)	YTD Expenditures (\$000)	Annual Budget Expenditures (\$000)	Percent of Annual Budget
Residential	\$4,808	\$10,590	\$24,208	44%
Multi-Family	\$559	\$1,612	\$3,487	46%
C&I	\$474	\$4,356	\$8,163	53%
Reported Totals for Utility Administered Programs	\$5,840	\$16,558	\$35,858	46%
Comfort Partners	\$446	\$1,397	\$3,791	37%
Utility Total	\$6,286	\$17,955	\$39,649	45%

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

## **Quarterly Level Energy Savings**

The Residential Sector largely contributed to the energy savings in this quarter, reporting 46,783 DTh of energy savings, or 23% of the PY24 annual target. This is attributed to the increased activity due to increased marketing outreach. As outreach efforts continue, we expect increased activity, and energy savings, for the Commercial and Multi-Family Sectors.

**Table 5 – Quarterly Sector-Level Annual Energy Savings**

Annual Energy Savings <sup>1</sup>	Current Quarter Retail (DTh)	YTD Retail (DTh)	Annual Target Retail (DTh)	Percent of Annual Target
Residential	46,783	116,159	203,064	57%
Multi-Family	2,535	7,057	6,206	114%
C&I	852	24,064	39,373	61%
Reported Totals for Utility Administered Programs	50,170	147,280	248,642	59%
Comfort Partners <sup>2</sup>	565	871	25,527	N/A
Utility Total	50,735	148,150	248,642	60%

<sup>1</sup> Annual Energy Savings represent the total expected annual savings from all energy efficiency measures within each sector.

<sup>2</sup> Comfort Partners Annual Target Retail Savings is a statewide target.

## **Portfolio Expenditures Breakdown**

Program expenditures reflect Elizabethtown Gas expenditures for the third quarter as 16% of the PY24 budget.

**Table 6 – Quarterly Costs and Budget Variances by Category <sup>1</sup>**

Total Utility EE/PDR	Quarter Reported (\$000)	YTD Reported (\$000)	Full Year Budget (\$000)	Percent of Budget Spent
Capital Costs	\$0	\$0	\$0	N/A
Utility Administration	\$291	\$980	\$1,580	62%
Marketing	\$328	\$670	\$817	82%
Outside Services	\$386	\$1,551	\$4,483	35%
Rebates <sup>2</sup>	\$3,616	\$9,567	\$17,714	54%
No- or Low-Interest Loans	\$1,163	\$3,446	\$10,106	34%
Evaluation, Measurement & Verification (“EM&V”)	\$38	\$281	\$890	32%
Inspections & Quality Control	\$20	\$61	\$267	23%
Utility EE/PDR Total	\$5,840	\$16,558	\$35,858	46%

<sup>1</sup> Categories herein align to ETG’s EE plan as approved by the BPU.

<sup>2</sup> Rebates include rebates and other direct investments.

## **Equity Metrics**

These equity metrics draw from the considerable work of the New Jersey Office of Environmental Justice's Overburdened Community (“OBC”) designations. Per New Jersey’s

Environmental Justice Law, N.J.S.A. 13:1D-157, census block groups are identified as being an “Overburdened Community” when certain census criteria are met<sup>1</sup>, and metrics reported herein reflect further direction from BPU Staff<sup>2</sup>. These data are compiled into Table 7 detailing Equity Performance. Elizabethtown Gas has contracted Applied Energy Group on the development of Equity Metrics with the metrics agreed upon by the joint utilities.

<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 7 reflect those communities where at least 35 percent of the households qualify as low-income households, but exclude those communities that are solely designated as Minority, Limited English, or Minority and Limited English.



**Table 7 – Quarterly Equity Performance**

Territory-Level Benchmarks		Overburdened <sup>1</sup>	Non-Overburdened	%OBC <sup>2</sup>
# of Household Accounts		49,685	220,427	18%
# of Business Accounts		5,230	18,143	22%
Total Annual Energy (Dth)		6,529,301	30,889,758	17%

Programs	Sub Program or Offering	Types of Sub Program Offering	Quarter Overburdened <sup>1</sup>	Quarter Non-Overburdened	%OBC <sup>2</sup>	YTD Overburdened	YTD Non-Overburdened	%OBC <sup>2</sup>
<b>Participation</b>								
Residential - Efficient Products	HVAC	Core	19	471	4%	41	1,131	3%
	Appliance Rebates	Core	17	284	6%	60	983	6%
	Online Marketplace	Core	26	386	6%	530	4,596	10%
	Energy Efficient Kits	Core	0	0	N/A	0	0	N/A
Residential - Existing Homes	Home Performance with Energy Star	Core	1	9	10%	1	27	4%
	Quick Home Energy Check-Up	Additional	13	186	7%	32	317	9%
	Moderate Income Weatherization	Additional	11	63	15%	24	134	15%
Behavioral	Behavioral	Additional	28,113	131,557	18%	28,113	131,557	18%
C&I Direct Install	Direct Install	Core	0	1	0%	0	11	0%
Energy Solutions for Business	Prescriptive/Custom	Core	0	1	0%	0	5	0%
	Energy Management	Additional	0	0	N/A	0	0	N/A
	Engineered Solutions	Additional	0	0	N/A	0	0	N/A
Multi-Family	Multi-Family Home Performance with Energy Star	Core	0	7	0%	0	14	0%
	Multi-Family Direct Install	Core	0	0	N/A	0	85	0%
	Multi-Family Prescriptive / Custom	Core	2	0	100%	4	1	80%
	Multi-Family Engineered Solutions	Core	0	0	N/A	0	0	N/A
Total Core Participation			65	1,159	5%	636	6,853	8%
Total Additional Participation			28,137	131,806	18%	28,169	132,008	18%
Total Participation			28,202	132,965	17%	28,805	138,861	17%
<b>Annual Energy Savings (Dth)</b>								
Residential - Efficient Products	HVAC	Core	317	6,677	5%	651	16,195	4%
	Appliance Rebates	Core	6	119	5%	26	413	6%
	Online Marketplace	Core	103	1,450	7%	2,077	18,296	10%
	Energy Efficient Kits	Core	0	0	N/A	0	0	N/A
Residential - Existing Homes	Home Performance with Energy Star	Core	12	262	4%	12	777	1%
	Quick Home Energy Check-Up	Additional	44	660	6%	162	1,253	11%
	Moderate Income Weatherization	Additional	159	716	18%	209	1,473	12%
Behavioral	Behavioral	Additional	6,384	29,874	18%	13,137	61,477	18%
C&I Direct Install	Direct Install	Core	0	804	0%	0	11,175	0%
Energy Solutions for Business	Prescriptive/Custom	Core	0	48	0%	0	12,889	0%
	Energy Management	Additional	0	0	N/A	0	0	N/A
	Engineered Solutions	Additional	0	0	N/A	0	0	N/A
Multi-Family	Multi-Family Home Performance with Energy Star	Core	0	2,051	0%	0	5,431	0%
	Multi-Family Direct Install	Core	0	0	N/A	0	556	0%
	Multi-Family Prescriptive / Custom	Core	484	0	100%	741	330	69%
	Multi-Family Engineered Solutions	Core	0	0	N/A	0	0	N/A
Total Core Annual Energy Savings			922	11,411	7%	3,507	66,062	5%
Total Additional Annual Energy Savings			6,587	31,250	17%	13,509	64,202	17%
Total Annual Energy Savings			7,509	42,661	15%	17,016	130,264	12%
<b>Lifetime Energy Savings (Dth)</b>								
Residential - Efficient Products	HVAC	Core	6,239	129,432	5%	12,833	312,961	4%
	Appliance Rebates	Core	75	1,396	5%	310	4,849	6%
	Online Marketplace	Core	773	11,162	6%	15,685	137,977	10%
	Energy Efficient Kits	Core	0	0	N/A	0	0	N/A
Residential - Existing Homes	Home Performance with Energy Star	Core	267	5,593	5%	267	16,325	2%
	Quick Home Energy Check-Up	Additional	439	6,650	6%	1,629	12,606	11%
	Moderate Income Weatherization	Additional	3,982	16,208	20%	4,723	34,338	12%
Behavioral	Behavioral	Additional	6,384	29,874	18%	13,137	61,477	18%
C&I Direct Install	Direct Install	Core	0	12,269	0%	0	179,351	0%
Energy Solutions for Business	Prescriptive/Custom	Core	0	967	0%	0	138,254	0%
	Energy Management	Additional	0	0	N/A	0	0	N/A
	Engineered Solutions	Additional	0	0	N/A	0	0	N/A
Multi-Family	Multi-Family Home Performance with Energy Star	Core	0	34,864	0%	0	92,320	0%
	Multi-Family Direct Install	Core	0	0	N/A	0	5,559	0%
	Multi-Family Prescriptive / Custom	Core	8,502	0	100%	13,628	6,602	67%
	Multi-Family Engineered Solutions	Core	0	0	N/A	0	0	N/A
Total Core Lifetime Energy Savings			15,857	195,684	7%	42,724	894,198	5%
Total Additional Lifetime Energy Savings			10,805	52,732	17%	19,489	108,422	15%
Total Lifetime Energy Savings			26,662	248,415	10%	62,213	1,002,620	6%

<sup>1</sup> Across all programs, subprograms, or offerings, 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)).

<sup>2</sup> The Ratio column shows the ratio of the overburdened metric over the non-overburdened metric. Comparing the territory-level benchmark ratios versus the program ratios shows how equitable the distribution of the program is between the overburdened and non-overburdened populations. If the program ratio is greater than the benchmark ratio, then the overburdened population is better represented in the program.

<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.

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

Respectfully,

A handwritten signature in black ink that reads "Dominick DiRocco". The signature is written in a cursive style with a large initial 'D'.

Dominick DiRocco

DD/caj

cc: Brian Lipman  
Maura Caroselli  
Mamie Purnell  
Carlena Morrison  
Stacy Richardson  
Phillip Chao  
Ed McFadden  
Maureen Minkel  
Peter Druckenmiller  
Michael Savacool  
Frank Vetri  
Andrew Lee  
Dylan Bakley

Appendix A – Participant Definitions

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