



October 17, 2022

IN THE MATTER OF THE IMPLEMENTATION OF P.L.
2018, c. 17 REGARDING THE ESTABLISHMENT OF
ENERGY EFFICIENCY AND PEAK DEMAND
REDUCTION PROGRAMS, ET SEQ. ("EE FRAMEWORK")
DOCKET NOS. QO19010040, QO19060748 AND QO17091004

and

IN THE MATTER OF THE PETITION OF PUBLIC
SERVICE ELECTRIC AND GAS COMPANY FOR
APPROVAL OF ITS CLEAN ENERGY FUTURE -- ENERGY
EFFICIENCY ("CEF-EE") PROGRAM ON A REGULATED BASIS
DOCKET NOS. GO18101112 AND EO18101113

VIA ELECTRONIC MAIL ONLY

Carmen Diaz, Acting Secretary
NJ Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, NJ 08625-0350

Re: DOCKET NOS. QO1901040, QO19060748 & QO17091004 (June 20, 2020 Framework Order) and GO18101112 & EO18101113 (PSE&G's Clean Energy Future-Energy Efficiency Settlement Order)

Dear Acting Secretary Diaz:

Pursuant to the Board's current filing procedures, herein is the Annual Progress Report for Program Year July 2021 through June 2022 ("PY22") of Public Service Electric and Gas Company ("PSE&G" or "Company") with respect to its Clean Energy Future – Energy Efficiency Program, pursuant to Clean Energy Act of 2018 Energy Efficiency ("EE") and Peak Demand Reduction ("PDR") Programs.

Copies of this report will be served upon all entities legally required to be noticed. Service will occur via e-mail, only, pursuant to the Board's March 19, 2020 Order in Docket No. EO20020254.¹ The report and attachments will be e-mailed to the persons identified on the service list associated with this report.

¹ *In the Matter of the New Jersey Board of Public Utilities' Response to the Covid-19 Pandemic For a Temporary Waiver of Requirements for Certain Non-Essential Obligations*, Docket No. EO20030254, p 3 (March 19, 2020 Order).

Energy Efficiency Program Progress - Executive Summary:

PSE&G is pleased to report that it has exceeded the PY22 annual savings estimates reflected in its September 23, 2020 Order, despite challenges caused by COVID, program transitions, supply chain constraints on equipment, and challenges in working with municipal customers. The CEF-EE program portfolio has delivered over 184 thousand MWh and 362 thousand dekatherms of annual savings in the fourth quarter, with PY22 annual savings of 692 thousand MWh and almost 1.5 million dekatherms. As Table 1 shows, the Company has surpassed its expected PY22 electric and gas savings targets.

Our effective outreach, trust with customers, and deep relationships with our business community are some of the reasons for the Company’s growing pipeline² of projects, which has a current project value of about \$393 million. This pipeline, together with actual program investment through September 2022, reflects 69% of the approved program funding. Based on this growing pipeline and increasing awareness of our programs, the Company forecasts that it will fully enroll all program funding by September 2023 as required by the BPU order. The Company has initiated several new marketing and advertising channels to raise awareness of its programs to different market segments, and it continues to expand its Trade Ally networks to serve growing demand for its programs.

Tables 1A and 1B 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 PSE&G and the other investor-owned electric and gas utility companies. This also includes savings from PSE&G’s EE 2017 Program, which continued to complete projects in PY22.

Table 1A – Program Year 2022 Results - Electric

Utility-Administered Programs ex-ante energy savings (MWh)	Comfort Partners ex-ante energy savings (MWh)	Other Programs ex-ante energy savings (MWh) ¹	Total ex-ante energy savings (MWh)	Compliance Baseline (MWh)	Annual Target (%)	Annual Target (MWh)	Percent of Annual Target (%)
(A)	(B)	(C)	(D) = (A)+(B)+(C)	(E)	(F)	(G) = (E)*(F)	(H) = (D) / (G)
692,362	2,478	16,823	711,663	40,538,874	N/A	N/A	N/A

Table 1B – Program Year 2022 Results – Natural Gas

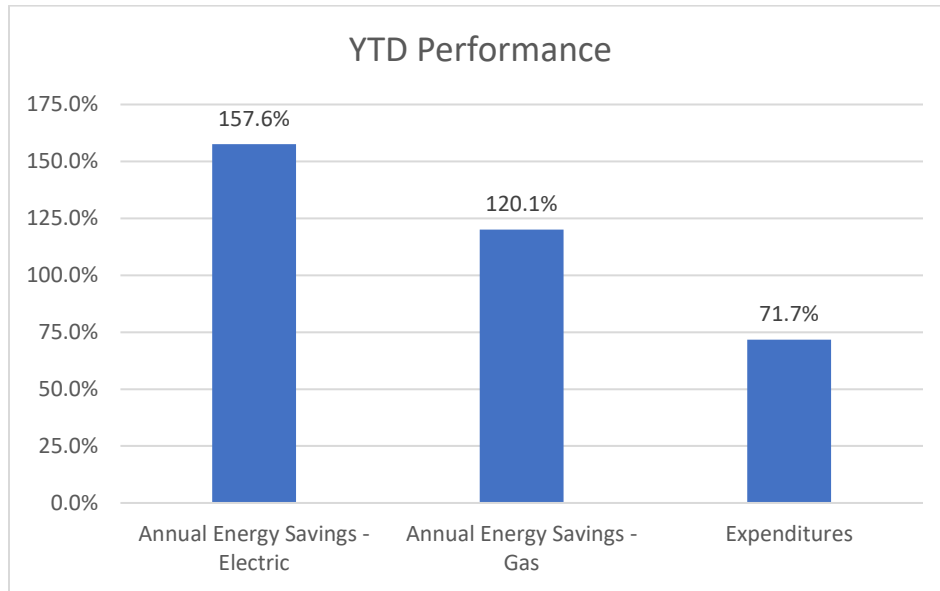
Utility-Administered Programs ex-ante energy savings (Dth)	Comfort Partners ex-ante energy savings (Dth)	Other Programs ex-ante energy savings (Dth) ¹	Total ex-ante energy savings (Dth)	Compliance Baseline (Dth)	Annual Target (%)	Annual Target (Dth)	Percent of Annual Target (%)
(A)	(B)	(C)	(D) = (A)+(B)+(C)	(E)	(F)	(G) = (E)*(F)	(H) = (D) / (G)
1,492,020	16,690	50,510	1,559,220	359,267,082	N/A	N/A	N/A

¹Other Programs include Company-specific programs that are not part of the Clean Energy Act energy efficiency program and Comfort Partners, such as legacy programs and pilots. For PSE&G, these include EE 2017 programs and projects completed during PY22.

Figure 1 shows that Program Year 2022 electricity savings is almost 158% of the PY22 annual savings projection (as filed), and Program Year 2022 natural gas savings is 120% of the PY22 annual savings projection, while PY22 spending is 72% of the PY22 expenditure projection.

² PSE&G defines pipeline as customer/projects that have enrolled in a program or customers with whom we have made contact and are actively discussing project scope or scheduling a visit.

Figure 1



In addition to these results, other highlights and issues for the Program Year include the following:

Clean Energy Jobs Program - The PSE&G Clean Energy (CE) Jobs Program supported the hiring of more than 875 applicants since the program began through the end of PY22. On-the-Job Training program Cohort 1 completed with a graduation ceremony in May 2022; the four trainees all have full-time job placements; and Cohort 2 were graduated in August 2022 with more than 20 graduates, all of whom were placed into full-time jobs as well. In addition, the jobs program webpage for the general public to search for program information and apply to available opportunities has on-boarded approximately 30 hiring vendors to the new platform. For marketing and outreach, the program implemented a new branding strategy aimed at increasing women and Latino/Hispanic hires. The program plans to participate in approximately 20 PSE&G cross promotional events in the next quarter.

Statewide Coordination - As discussed in the prior reports, the joint utilities identified the issue of constrained budgets between gas and electric utilities that share a service territory, and submitted a petition with a proposed solution for the first program cycle of the utilities' energy efficiency programs. The letter petition was approved at the August 17, 2022 Board meeting, and the utilities are now working together to implement the processes and controls to support the solution detailed in the Order.

The joint utilities continue to hold regular meetings with its Statewide Coordinator ("SWC") vendor to develop the platform needed to accurately share cost and energy savings information between utilities. However, as of the date of this report, the SWC system is not yet fully tested and operational. Therefore the utilities have not yet transferred information for expenditures and energy savings that a Lead utility has secured for the Partner utility. As discussed during Utility Working Group ("UWG") meetings, Lead utilities are supporting the 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 quarterly report reflects all investments made for approved energy efficiency programs, including investments made by PSE&G as the Lead utility on behalf of a Partner utility. Energy savings shown within this report reflect all electric and natural gas savings from projects led by PSE&G.

Municipal and State Customer Participation in the Utility Led EE Programs – Concerns were raised by some municipal customers late in 2021 regarding their ability to avoid public bidding regulations when participating in PSE&G Small Business Direct Install Program. As background, in 2009 the Department of Community Affairs (“DCA”) issued an exemption to communities from following public bidding regulations when participating in PSE&G’s Direct Install program, as it is a utility service, exempted from public bidding rules for communities. This exemption has allowed communities in PSE&G’s service territory to undertake hundreds of individual projects over the years, saving millions of dollars in energy costs. Despite the success of the program and prior written confirmation of exemption by DCA, there has been an indication that this exemption will no longer be allowed by DCA. The utilities are awaiting written notice of this position from DCA. In the meanwhile, the utilities continue to work with BPU staff in good faith to determine a viable alternative to help municipal customers easily access the program. The municipal sector is a key customer segment within the small business community, and a part of the small business Quantitative Performance Indicator (“QPI”), so resolving this issue is a priority.

Additionally, all utilities have been working collaboratively with BPU staff and other relevant state agencies to resolve similar concerns related to State-owned building’s participation in the Small Business Direct Install program and the Engineered Solutions programs.

Finally, all utilities have been working collaboratively with BPU staff and other relevant state agencies to determine the most effective methods by which government customers and facilities can participate in utility EE programs concurrent with the State’s Energy Savings Improvement Program (“ESIP”).

Table 2 provides the results of the QPIs for all programs for which utilities are responsible, inclusive of the Clean Energy Act-funded programs, Comfort Partners program and the EE 2017 Program.

As Table 2 shows, PSE&G had strong performance on the metrics that are included in the QPIs. While the BPU Framework Order did not require targets for Program Year 2021/2022, PSE&G’s final Order did provide estimates of its performance for this year. Table 2 provides a summary of the QPIs.

Table 2 – Quantitative Performance Indicators Table

Electric

	Utility-Administered Plan Year Results	Comfort Partners Plan Year Results	Other Programs Plan Year Results	Total Plan Year Results	Annual Target 1	Percent of Annual Target Achieved
Annual Energy Savings (MWh)	692,362	2,478	16,823	711,663	439,367	162.0%
Lifetime Savings (MWh)	9,360,229	37,526	268,538	9,666,293	2,985,212	323.8%
Annual Demand Savings (MW)	71.059	0.386	2.497	73.942		
Lifetime Persisting Demand Savings (MW-year) ²	960.660	5.846	39.861	1,006.367		
Low/Moderate-Income Lifetime Savings (MWh) ⁴	502,864	37,526	-	540,390		
Small Commercial Lifetime Savings (MWh) ⁵	2,546,610		-	2,546,610		
Net Present Value of Utility Cost Test Net Benefits (\$) ³	\$440,983,202			\$440,983,202		

Natural Gas

	Utility-Administered Plan Year Results	Comfort Partners Plan Year Results	Other Programs Plan Year Results	Total Plan Year Results	Annual Target ¹	Percent of Annual Target Achieved
Annual Energy Savings (Dth)	1,492,020	16,690	50,510	1,559,220	1,242,591	125.5%
Lifetime Savings (Dth)	11,500,087	307,591	1,035,844	12,843,522	9,460,442	135.8%
Annual Demand Savings (Dth Peak Day)						
Lifetime Persisting Demand Savings (Dth-year) ²						
Low/Moderate-Income Lifetime Savings (Dth) ⁴	2,109,090	307,591	-	2,416,681		
Small Commercial Lifetime Savings (Dth) ⁵	939,389		-	939,389		
Net Present Value of Utility Cost Test Net Benefits (\$) ³	\$440,983,202			\$440,983,202		

¹ Annual targets reflect estimated impacts as filed in the Company's CEF-EE filing

² Represents annual demand savings multiplied by the effective useful life of installed equipment

³ Cost effectiveness impacts are not calculated for Comfort Partners or other programs

⁴ Low/Moderate-Income lifetime savings are provided separately for Comfort Partners and any income-qualified Residential or Multi-Family program.

⁵ 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 Sector Summary

PSE&G's CEF-EE Residential programs have delivered 472,000 MWh of electric and 1.393 million dekatherms of natural gas savings in PY22, approximately 183% of the electric and 167% of the natural gas Program Year 1 projections (as filed). The electric savings were largely driven by the lighting portion of the Efficient Products program, however, over the year the other residential programs began to deliver savings as awareness grew and scheduled appointments were fulfilled. Availability of On-Bill Repayment (OBR) for the Home Performance with Energy Star program and HVAC equipment has also helped to drive participation.

Trade Allies continue to express concerns about supply-chain related delays in product availability, in particular for high efficiency HVAC and water heating equipment, as well as price increases in equipment and material that is available. Despite these headwinds, the Company has been able to increase participation in residential programs between the first and second quarter, and the Company continued its marketing efforts on programs less impacted by supply chain issues. Specific program results include the following:

- The Efficient Products program delivered 401,626 MWh and 966,868 dekatherms of savings in PY22, driven by 313,889 MWh of electric savings from the mid-stream lighting channel, which equates to approximately 78% of the annual electric savings for this subprogram. Please see Tables 2, 3, and 4 for additional details on participation, expenditures and savings compared to expectations. Over 1.4 million LED bulbs were sold over the Program Year. Customers can now utilize an online lookup tool on the program website to find participating retail locations with instant discounts. In-store program promotions commenced with promotional material to answer

questions about lighting and high efficiency appliances, as well as informing customers about other PSE&G energy efficiency programs. Other effective advertising channels included digital banners and paid search ads, as well as television media buys to promote the benefits of LED lighting.

- Retail appliance rebates have several pathways for participation; instant rebates at participating retail locations, in-store coupons at participating locations, and post purchase online/mail in rebates. Participation pathways vary by products, and customers utilized all pathways in Q3 and Q4. In total, over 5,800 appliances were incentivized over the Program Year. Marketing efforts over Q4 included direct mail postcards in April, email campaigns in May and June, radio and streaming audio advertising in April and June, and high-impact display ads in May. We continued to leverage utility owned channels as well, including bill inserts, cross promotions with the *MyEnergy* home energy reports, and digital banners on the customer account portal.
- The Appliance Recycling segment of the program saw steady growth, with pickups from midstream partners having grown to over 300 units over the Program Year. The program also ran a limited time offer (LTO) from April through June with increased rebate amounts, supported by steady email advertising and utility channel advertising. The quantity of recycled units almost doubled during this LTO time period compared to the prior period.
- The HVAC segment of this program has been actively recruiting contractors and distributors to the program, and has 143 approved contractors and 29 participating distributors as of the end of the Program Year. Incentives paid increased by 125% from the prior quarter, and On-Bill Repayment increased over 240% from the previous quarter, driven, in part, by the development of co-branded supporting material with contractors to promote the On-Bill Repayment option.
- The on-line Marketplace segment of the program has continued to see strong sales throughout the entire program year, driven by sales of smart thermostats, with lighting also contributing strong results.
- The Welcome Kits segment of this program provides free welcome kits to new residential customers. Kits continue to be distributed at a high volume for the final quarter. The program added the deployment of branded packaging labels and brochures for new customers to cross-promote programs.
- The Existing Homes Program delivered 8,334 MWh and 71,687 dekatherms of savings for the Program Year, driven by strong results under the Quick Home Energy Checkup (QHEC) portion of the Program and continued growth in the Home Performance with Energy Star segment. Home assessment programs were promoted on utility owned channels such as bill inserts and the *MyEnergy* program in the fourth quarter. Television promotions were also used to promote awareness of home assessment programs.
- The QHEC program saw a continued increase in completed appointments per month, from 1,300 per month in Q3 to 1,875 per month in Q4. We continued to work with Sustainable Jersey to help obtain canvassing permits that increases outreach effectiveness. All QHEC subcontractors now have PSE&G branded shirts that are worn during both appointments and canvassing to help build trust with customers for the program.
- The Home Performance with Energy Star portion of the Program saw continued growth, with projects completed increasing from 100 per month in Q3 to 143 per month in Q4. Additionally, the On Bill Repayment feature remains as a very popular option, with about 85% of participants

utilizing it to cover their portion of the project cost. The multi-family pipeline continued to grow during Q4, and approximately 400 units were added to the pipeline.

- The *MyEnergy* Behavioral Program delivered 45,799 MWh and 347,316 dekatherms of savings over the Program Year. Almost 5.9 million paper reports and 9.4 million digital reports were delivered to customers over the Program Year.
- The Income Eligible Program (Home Weatherization) delivered 16,304 MWh and 7,140 dekatherms of savings over the Program Year. Well over 200 projects with deeper retrofits (HVAC, weatherization measures, and or health and safety measures) were completed in the fourth quarter. A new tool for customers to schedule their appointments online went live in June 2022 and is currently in use. This online tool is expected to streamline the scheduling process and increase program participation. All program collateral has been updated to reflect the availability of the new online tool. All subcontractors now have PSE&G branded shirts that are worn during initial appointments to help show their association with PSE&G and build trust in the program. Customers found to be ineligible for this program are being re-routed to other programs. Food bank kit distribution started in June and over 52,000 kits were sent out. Outreach flyers were developed and distributed to participating food banks to promote the kits.

Commercial and Industrial (C&I) Sector Summary

PSE&G's CEF-EE C&I Programs delivered 217,814 MWh of electric savings and 74,799 dekatherms of natural gas savings in PY22, approximately 126% of PSE&G's electric target and 18% of PSE&G's natural gas savings target. See Tables 2, 3 and 4 for additional details on participation, expenditures and savings compared to expectations. The Company's C&I programs saw a significant increase in project throughput during Q4, which contributed to the overall results for the Program Year. The Company continued to see consistent performance for transactional programs.

Similar to the previous quarters, the C&I sector continued to see COVID related delays stemming from lingering supply chain and manpower issues, with cash flow and equipment shipment and delivery delays being the most prevalent.

Specific program results include the following:

- The Prescriptive program delivered the greatest amount of savings during the Program Year, with 199,236 MWh of electric savings and 7,764 dekatherms of natural gas savings, with 162,802 MWh being delivered through its mid-stream lighting channel, and 36,434 MWh through its other channels. The Company continues to see growth in the Trade Ally (TA) network, with certified TAs growing from 233 to 242 including 39 Distribution partners. The Prescriptive program has approximately \$11 million in the project pipeline.
- The C&I Small Non-residential Efficiency (Small Business Direct Install) Program delivered 16,558 MWh and 11,771 dekatherms of savings during over the Program Year.
- Within the Small Business Direct Install program is the Small Business Urban Enterprise Zone/Municipal program, which delivered 3,753 MWh and 11,771 dekatherms for the Program Year. The program has produced some completed projects though the ramp up still remains slow due to COVID concerns, customer hesitancy, supply-chain and in part due to the issue with DCA discussed earlier. The Company has a robust pipeline of interested customers, valued at about \$60

million, but customers had been slow to enroll due to inadequate incentives. Since the Company has adjusted the incentive structure, it has experienced stronger customer interest.

- The Engineered Solutions Program has continued to receive applications from dozens of customers with many projects in the initial audit phase of the program, and some projects under construction. The pipeline for this program has grown considerably with about \$300 million in pipeline value. The Company expects to see results from several projects in Program Year 2022/2023.
- The C&I Custom Program delivered 2,020 MWh of electric savings and 55,264 dekatherms of natural gas savings over the Program Year. The pipeline for Custom projects also grew significantly with projects under development worth about \$2 million.
- The C&I Energy Management Program continues to receive applications for projects with two memorandums of Understanding (MOU's) having been signed by large industrial customers, and outreach continues in this segment. The Company expects to see results from this program in Program Year 2022/2023.
- In total, the Company's C&I sector has a project pipeline of \$377 million.

Multifamily Sector Summary

The Company's Multifamily Direct Install (DI) program installs low cost high efficiency measures at no cost to the resident. The Multifamily DI program delivered 2,484 MWh and 24,209 Dekatherms of savings during the Program Year. Please see Tables 3, 4 and 5 for additional details on participation, expenditures and savings compared to expectations. The Program team has reached out to over 600 properties representing over 79,000 units. All subcontractors have PSE&G banded shirts that are worn during appointments to highlight their association with PSE&G and build trust in the program.

Program Participation

Participation levels can vary substantially due to changes in market channel approach, and ramp up time. The C&I value is far greater than planned due to the inclusion of a small business kit approach that was developed during the year but had not been planned. Multifamily participation lagged due to ramp up challenges.

Table 3 – Annual Sector-Level Participation

Sector ¹	Current Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	1,800,506	3,673,961	2,492,714	147%
Multifamily	3,081	6,851	13,110	52%
C&I	7,735	41,997	2,245	1871%
Reported Totals for Utility Administered Programs	1,811,322	3,722,809	2,508,069	148%
Comfort Partners	755	2,765	4,280	65%
Utility Total	1,812,077	3,725,574	2,512,349	148%

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

Program Expenditures

Program expenditures over the Program Year continued to reflect the ramp up delivery of all programs over time, building program awareness, adding new contractors and trade allies to its qualified list, and completing project designs for C&I customers. Only the Comfort Partners program spending reflects a steady state of quarterly expenditures relative to the Program Year budget.

Table 4 – Annual Sector-Level Expenditures

Expenditures ¹	Current Quarter Expenditures (\$000)	YTD Expenditures (\$000)	Annual Budget Expenditures (\$000)	Percent of Annual Budget
Residential	\$ 32,515	\$ 105,399	\$ 88,478	119%
Multifamily	\$ 992	\$ 2,578	\$ 3,548	73%
C&I	\$ 31,079	\$ 70,444	\$ 170,980	41%
Reported Totals for Utility Administered Programs	\$ 64,586	\$ 178,421	\$ 263,006	68%
Comfort Partners	\$ 5,653	\$ 20,573	\$ 24,128	85%
Utility Total	\$ 70,239	\$ 198,994	\$ 287,134	69%

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

Program Savings

The Residential sector has produced the strongest performance relative to its targets for the Program Year, primarily due to the transactional nature of the programs, and the swift growth in several programs driven by customer interest. Additionally, the Comfort Partners program has been on-going for over a decade, so the results represent a steady state, mature program. The Company saw growth in the C&I sector as well, and expects this growth to increase in the next Program Year as more complex projects are completed.

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

Annual Energy Savings ¹	Quarter Retail (MWh)	YTD Retail (MWh)	Annual Target Retail Savings (MWh)	Percent of Annual Target
Residential	102,527	472,064	257,823	183%
Multifamily	1,206	2,484	8,731	28%
C&I	80,293	217,814	172,813	126%
Reported Totals for Utility Administered Programs	184,026	692,362	439,367	158%
Comfort Partners	633	2,478	3,485	71%
Utility Total	184,659	694,840	442,852	157%

Natural Gas

Annual Energy Savings ¹	Quarter Retail (Dth)	YTD Retail (Dth)	Annual Target Retail Savings (Dth)	Percent of Annual Target
Residential	284,294	1,393,012	833,484	167%
Multifamily	13,363	24,209	(7,259)	-334%
C&I	65,116	74,799	416,365	18%
Reported Totals for Utility Administered Programs	362,772	1,492,020	1,242,591	120%
Comfort Partners	4,435	16,690	18,665	89%
Utility Total	367,207	1,508,710	1,261,256	120%

¹ Annual energy savings represent the total expected annual savings from all CEF-EE programs within each sector and Comfort Partners. Appendix B shows the annual energy savings results for individual programs or offerings.

Portfolio Expenditures Breakdown

For Program Year 2021/2022, PSE&G's energy efficiency programs had approximately \$214.5 million in total expenditures. Overall spending reflects the initial ramp up of customers into the various programs. Marketing spending is trending beyond the original budget in order to increase awareness of the programs. Capital cost spending is driven by the Company's IT projects, bringing additional elements of its new tracking system on line, as well as other IT projects that will enhance the customer experience when interacting with PSE&G via its customer service center, digitally, or through social media.

Table 6 – Quarterly costs and budget variances by category ¹

Total Utility EE/PDR	Quarter Reported (\$000)	YTD Reported (\$000)	Full Year Budget (\$000)	Percent of Annual Budget Spent
Capital Costs	\$ 6,641	\$ 27,384	\$ 20,222	135%
Utility Administration	\$ 3,126	\$ 10,132	\$ 42,924	24%
Marketing	\$ 2,571	\$ 8,725	\$ 2,208	395%
Outside Services	\$ 23,915	\$ 70,743	\$ -	N/A
Rebates	\$ 31,947	\$ 87,631	\$ 125,180	70%
No- or Low-Interest Loans	\$ 3,850	\$ 5,399	\$ 98,203	5%
Evaluation, Measurement & Verification ("EM&V")	\$ 538	\$ 1,465	\$ 4,732	31%
Inspections & Quality Control	\$ 1,224	\$ 3,024	\$ 5,523	55%
Utility EE/PDR Total	\$ 73,813	\$ 214,503	\$ 298,992	72%

¹ Totals do not include expenditures at the portfolio level. PSE&G’s full year budget reporting categories, established with the approved settlement of PSE&G’s CEF-EE Program, did not align with the current reporting categories. The Company has worked to align Full Year Budget values with current reporting. All reported actuals are aligned with current reporting categories.

Equity Metrics

The equity metrics provided in Table 7 reflect designations of overburdened communities (OBC), established by the New Jersey office of Environmental Justice³. Per guidance from the BPU, identified overburdened communities contained in Table 7 reflect customers who are identified as low income, low income & limited English, low income & minority, and low income, minority, & limited English. Census tracks identified as overburdened were overlaid with geocode information on PSE&G accounts to determine the OBC state of each customer and each EE program participant.

Table 7 Annual Equity Performance

Territory-Level Benchmarks	Overburdened ¹	Non-Overburdened	%OBC ²
Population	959,734	2,932,863	25%
# of Household Accounts ³	827,950	2,650,036	24%
# of Business Accounts ³	131,784	282,827	32%
Total Annual Energy (MWh) ⁴	8,161,982	30,399,598	21%
Total Annual Energy (Dth) ⁴	53,746,186	209,289,755	20%

³ See <https://www.nj.gov/dep/ej/communities.html>

	Type of Program / Offering	Quarter Over-burdened ¹	Quarter Non-Over-burdened	%OBC ²	Annual Overburdened ¹	Annual Non-Overburdened	%OBC ²
Participation							
Residential - Online Marketplace ⁵	Core				11,669	89,282	12%
Residential - Other Efficient Products ⁵	Core				36,047	133,756	21%
Residential - HPwES	Core				37	978	4%
Residential - Quick Home Energy Checkups	Non-core				2,524	8,135	24%
Residential - Income-Eligible Weatherization	Non-core				436	1,010	30%
Residential - Behavioral	Non-core				300,962	1,094,274	22%
C&I - Prescriptive	Core				606	1,981	23%
C&I - Custom	Core				5	23	18%
C&I - Direct Install	Core				27	82	25%
Total Core Participation					48,391	226,102	18%
Total Non-Core Participation					303,922	1,103,419	22%
Total Participation					352,313	1,329,521	21%
Annual Energy Savings - Electric (MWh)							
Residential - Online Marketplace ⁵	Core				3,834	28,916	12%
Residential - Other Efficient Products ⁵	Core				7,980	29,959	21%
Residential - HPwES	Core				17	600	3%
Residential - Quick Home Energy Checkups	Non-core				1,305	5,057	21%
Residential - Income-Eligible Weatherization	Non-core				248	679	27%
C&I - Prescriptive	Core				44,130	148,932	23%
C&I - Custom	Core				308	1,712	15%
C&I - Direct Install	Core				841	4,316	16%
Total Core Annual Energy Savings					57,110	214,434	21%
Total Non-Core Annual Energy Savings					1,553	5,736	21%
Total Annual Energy Savings (MWh)					58,664	220,171	21%
Lifetime Energy Savings - Electric (MWh)							
Residential - Online Marketplace ⁵	Core				38,945	293,068	12%
Residential - Other Efficient Products ⁵	Core				96,278	340,613	22%
Residential - HPwES	Core				310	5,625	5%
Residential - Quick Home Energy Checkups	Non-core				18,368	69,401	21%

Residential - Income-Eligible Weatherization	Non-core				3,178	8,883	26%
C&I - Prescriptive	Core				544,166	1,914,975	22%
C&I - Custom	Core				4,621	18,485	20%
C&I - Direct Install	Core				7,475	43,052	15%
Total Core Lifetime Energy Savings					691,794	2,615,818	21%
Total Non-Core Lifetime Energy Savings					21,546	78,285	22%
Total Lifetime Energy Savings (MWh)					713,340	2,694,103	21%
Annual Energy Savings - Natural Gas (Dth)							
Residential - Online Marketplace ⁵	Core				56,027	425,670	12%
Residential - Other Efficient Products ⁵	Core				72,603	264,424	22%
Residential - HPwES	Core				1,849	30,520	6%
Residential - Quick Home Energy Checkups	Non-core				7,565	19,804	28%
Residential - Income-Eligible Weatherization	Non-core				1,096	2,720	29%
C&I - Prescriptive	Core				2,638	5,126	34%
C&I - Custom	Core				3,031	52,233	6%
C&I - Direct Install	Core				2,562	8,945	22%
Total Core Annual Energy Savings					138,711	786,919	15%
Total Non-Core Annual Energy Savings					8,661	22,525	28%
Total Annual Energy Savings (Dth)					147,372	809,444	15%
Lifetime Energy Savings - Natural Gas (Dth)							
Residential - Online Marketplace ⁵	Core				417,626	3,163,760	12%
Residential - Other Efficient Products ⁵	Core				722,672	2,571,590	22%
Residential - HPwES	Core				18,861	603,802	3%
Residential - Quick Home Energy Checkups	Non-core				74,921	188,813	28%
Residential - Income-Eligible Weatherization	Non-core				9,441	23,165	29%
C&I - Prescriptive	Core				46,568	98,176	32%
C&I - Custom	Core				19,191	602,577	3%
C&I - Direct Install	Core				37,192	50,037	43%
Total Core Lifetime Energy Savings					1,262,110	7,089,942	15%

Total Non-Core Lifetime Energy Savings					84,362	211,978	29%
Total Lifetime Energy Savings (Dth)					1,346,472	7,301,919	16%

1 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/cj/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.

2 The %OBC column shows the ratio of the overburdened metric over the total of overburdened plus non-overburdened. Comparing the territory-level benchmark %OBC (upper table) 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.

3 Estimation of accounts with overburdened designation determined to be active immediately preceding the current Plan Year.

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

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

6 Individual line items or totals as listed in the OBC table may differ from those results in Appendix B table due to elements of some programs not having a customer addresses, rounding, or other issues matching customer addresses with OBC data.

Benefit Cost Test Results

For Program Year 2021/2022, PSE&G’s benefit cost results were generally better than filed. The primary drivers of this performance are a combination of two factors; the near term focus on programs, sales channels, and measures that are quicker to start up and are generally more cost effective, and the control of costs. Program channels such as mid-stream lighting and the online marketplace were very fast to start up. In fact, the online marketplace program began operation immediately after Board approval since the program had been operational in PSE&G’s prior program. Similarly, the behavioral program had been an on-going program that seamlessly continued into the CEF-EE Program in January 2021.

Table 8 shows the comparison of the approved “as filed” benefit cost estimates, and the actual results for Program Year 2021/2022.

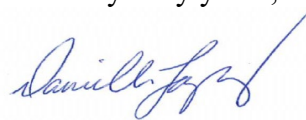
Table 8 – Benefit Cost Test Comparative Results

	Initial						Final					
	NJCT	PCT	PACT	RIMT	TRCT	SCT	NJCT	PCT	PACT	RIMT	TRCT	SCT
Res Efficient Products	1.7	7.7	0.9	0.6	0.7	2.3	10.0	26.4	4.9	0.3	5.1	14.3
Res Existing Homes	1.6	4.9	1.2	0.7	0.8	2.4	1.2	3.4	0.6	0.2	0.6	2.0
Res Income Eligible	1.2	n/a	0.5	0.4	0.5	1.8	0.8	8.0	0.4	0.2	0.4	2.3
Res Behavioral Energy	2.2	n/a	1.2	0.6	1.2	2.6	6.4	N/A	4.0	0.3	4.0	10.2
Multifamily	1.3	n/a	0.7	0.5	0.7	2.4	3.8	23.3	2.0	0.3	2.0	6.1
C&I Small Non-Residential Efficiency	2.7	5.4	1.9	1.1	1.3	4.3	2.9	3.2	2.1	0.7	1.4	4.1
C&I Prescriptive	2.7	6.6	2.0	1.2	1.3	3.5	6.8	5.0	5.2	0.9	3.4	8.6
C&I Custom	3.0	6.9	2.1	1.3	1.5	4.7	1.1	1.1	1.9	0.5	0.5	1.6
C&I Energy Management	1.8	8.7	1.4	1.0	1.3	4.0	0.0	N/A	0.0	0.0	0.0	1.2
C&I Engineered Solutions	1.8	5.3	1.1	0.9	0.9	3.0	0.0	N/A	0.0	0.0	0.0	1.4

Conclusion

PSE&G is pleased to provide the results contained in this report and the detailed spreadsheet that accompanies this report. The Company looks forward to continued collaboration with Board Staff, Rate Counsel, and other stakeholders in achieving the State’s aggressive energy savings goals. Please contact the undersigned should you have any questions or concerns regarding this report.

Very truly yours,



Danielle Lopez

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 F –Energy Savings with 2022 TRM Addendum**
- **Appendix G - Ex-Ante Energy Savings Held for Transfer**
- **Appendix H – Cost Effectiveness Test Details**

Appendix A

Sector	Program	Sub-Program	Participant Definition as Lead Utility
Residential	Efficient Products	On-line Marketplace	Quantity of units sold (based on SKU), net of returns
		Residential Lighting - Midstream	Quantity of units sold (based on SKU), net of returns
		HVAC	Quantity of HVAC units sold
		Appliance Recycling	Count of visits to a premise to pick up equipment
		Appliance Rebates	Quantity of units rebated (based on SKU)
		Energy Efficiency Kits	Count of kits delivered to customers
	Existing Homes	Home Performance with Energy Star	Count of completed projects
		Quick Home Energy Checkup	Count of completed visits
	Behavioral	Behavioral	Count of treatment group customers at the end of the reporting period quarter
	Income Eligible	Income Eligible – Home Weatherization	Count of completed projects Count of kits distributed
Commercial and Industrial	C&I Direct Install	Direct Install	Count of applications/projects completed
	Prescriptive	Prescriptive	Count of applications/projects completed
	Engineered Solutions	Engineered Solutions	Count of applications/projects completed
	Custom	Custom	Count of applications/projects completed
	Energy Management	Energy Management	Count of applications/projects completed
Multifamily	Multifamily	Multifamily (Direct Install)	Count of units with completed visits
		Home Performance with Energy Star	Count of projects completed, which are based on buildings
		C&I Prescriptive	Count of applications/projects completed with property owner
		C&I Custom	Count of applications/projects completed with property owner
		Engineered Solutions	Count of applications/projects completed with property owner

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q4

		Participation				Actual Expenditures			
		A	B	C	D=C/B	E	F	G	H=G/F
		Current Quarter	Annual Forecasted Participation Number	Reported Participation Number YTD	YTD % of Annual Participants	Current Quarter (\$000)	Annual Forecasted Program Costs (\$000) ¹	Reported Program Costs YTD (\$000)	YTD % of Annual Budget
Residential Programs	Sub Program								
Efficient Products*	On line Marketplace	55,291		308,120		\$1,850		\$14,442	
	Other Efficient Product Subprograms	457,444	1,420,648	1,969,369	138.6%	\$15,840		\$49,829	
	Total Efficient Products	512,735		2,277,489		\$17,689	\$43,422	\$64,271	148.0%
Existing Homes	Home Performance with Energy Star*								
	Quick Home Energy Check-Up								
	Total Existing Homes	6,114	16,032	13,996	87.3%	\$9,579	\$17,709	\$24,460	138.1%
Income Eligible	Income Eligible Weatherization	1,747	4,431	102,566	2314.7%	\$3,973	\$19,174	\$10,093	52.6%
Home Energy Education & Management	Behavioral Energy	1,279,910	1,279,910	1,279,910		\$1,273	\$8,172	\$6,575	80.5%
Total Residential		1,800,506	2,721,021	3,673,961	135.0%	\$32,515	\$88,478	\$105,399	119.1%
Business Programs	Sub-Program								
C&I Direct Install	Direct Install*	5,722	705	37,961	5384.5%	\$2,978	\$41,090	\$5,914	14%
Energy Solutions for Business	Prescriptive	2,001	1,460	4,008	274.5%	\$21,946	\$53,780	\$50,534	94.0%
	Custom	12	64	28	43.8%	\$3,466	\$10,243	\$5,547	54.2%
	Energy Management	-	12	-	0.0%	\$303	\$1,876	\$770	41.0%
	Engineered Solutions	-	4	-	0.0%	\$2,385	\$63,992	\$7,679	12.0%
Total Business		7,735	2,245	41,997	1870.7%	\$31,079	\$170,980	\$70,444	41.2%
Multi-Family*	HPwES								
	Direct Install	3,081	13,110	6,851	52.3%	\$992	\$3,548	\$2,578	72.7%
	Prescriptive/Custom*								
	Engineered Solutions								
Total Multi-Family		3,081	13,110	6,851	52.3%	\$992	\$3,548	\$2,578	72.7%
Other Programs									
Home Optimization & Peak Demand Reduction									
Total Other									
Portfolio Total		1,811,322	2,736,376	3,722,809	136.0%	\$64,586	\$263,006	\$178,421	67.8%
Supportive Costs Outside Portfolio						\$9,227	\$35,987	\$36,082	100.3%
Company Total						\$73,813	\$298,993	\$214,503	71.7%

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.

* 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.

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q4

		Ex Ante Energy Savings							
		I	J	K	L=K/J	M	N	O	P
		Current Quarter Annual Retail Energy Savings (MWh)	Annual Forecasted Retail Energy Savings (MWh)	Reported Retail Energy Savings YTD (MWh)	YTD % of Annual Energy Savings	Current Quarter Wholesale Energy Savings (MWh)	Peak Demand Savings YTD (MW)	Current Quarter Lifetime Retail Savings (MWh)	Lifetime Retail Savings YTD (MWh)
Residential Programs	Sub Program or Category¹								
Efficient Products*	On line Marketplace	4,294		32,726		4,693	1.148	43,921	331,787
	Other Efficient Product Subprograms	81,810		368,900		89,411	29.119	1,180,646	5,356,589
	Total Efficient Products	86,104	134,053	401,626	299.6%	94,104	30.267	1,224,567	5,688,376
Existing Homes	Home Performance with Energy Star*	290		700		317	-	5,431	11,202
	Quick Home Energy Check-Up	3,899		7,633		4,261	0.591	54,223	105,450
	Total Existing Homes	4,189	15,977	8,334	52.2%	4,579	0.591	59,653	116,651
Income Eligible	Income Eligible Weatherization	707	9,762	16,304	167.0%	773	1.173	9,815	242,444
Home Energy Education & Management	Behavioral Energy	11,526	98,031	45,799	46.7%	12,597	-	11,526	45,799
Total Residential		102,527	257,823	472,064	183.1%	112,053	32.030	1,305,561	6,093,271
Business Programs									
Business Programs	Sub-Program								
C&I Direct Install	Direct Install*	(1,639)	45,598	16,558	36.3%	(1,792)	0.198	(8,282)	241,346
Energy Solutions for Business	Prescriptive	81,184	109,489	199,236	182.0%	88,727	38.359	1,209,945	2,966,425
	Custom*	748	13,605	2,020	14.9%	818	0.264	11,225	26,928
	Energy Management	-	4,120	-	0.0%	-	-	-	-
	Engineered Solutions	-	-	-	-	-	-	-	-
Total Business		80,293	172,813	217,814	126.0%	87,753	38.821	1,212,889	3,234,699
Multi-Family*									
Multi-Family*	HPwES								
	Direct Install	1,206	8,731	2,484	28.5%	1,318	0.207	15,728	32,259
	Prescriptive/Custom*								
	Engineered Solutions								
Total Multi-Family		1,206	8,731	2,484	28.5%	1,318	0.207	15,728	32,259
Other Programs									
Home Optimization & Peak Demand Reduction									
Total Other									
Portfolio Total		184,026	439,367	692,362	157.6%	201,124	71.059	2,534,177	9,360,229

¹ Subprograms provide relevant forecasts as included in the Company's approved EE/PDR Plans. Program delivery elements are generally listed as categories for informational purposes only.

² Annual Forecasted Program Costs reflect values anticipated in Board-approved Utility EE/PDR proposals and may incorporate budget adjustments as provided for in the June 10, 2020 Board Order.

* 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.

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q4

		Ex Ante Energy Savings							
		I	J	K	L=K/J	M	N	O	P
		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 Wholesale Energy Savings (DTh)	Peak Demand Savings YTD (DTh)	Current Quarter Lifetime Retail Savings (DTh)	Lifetime Retail Savings YTD (DTh)
Residential Programs	Sub Program or Category¹								
Efficient Products*	On line Marketplace	54,480		489,642		59,542	N/A	414,468	3,704,968
	Other Efficient Product Subprograms	103,164		477,226		112,749	N/A	1,088,077	4,872,321
	Total Efficient Products	157,644	54,842	966,868	1763.0%	172,290		1,502,545	8,577,289
Existing Homes	Home Performance with Energy Star*	13,668		40,436		14,938	N/A	302,336	694,207
	Quick Home Energy Check-Up	20,467		31,250		22,369	N/A	205,200	313,386
	Total Existing Homes	34,135	35,517	71,687	201.8%	37,307		507,536	1,007,593
Income Eligible	Income Eligible Weatherization	5,269	74,747	7,140	9.6%	5,759	N/A	70,427	85,517
Home Energy Education & Management	Behavioral Energy	87,245	668,378	347,316	52.0%	95,351	N/A	87,245	347,316
Total Residential		284,294	833,484	1,393,012	167.1%	310,707	N/A	2,167,753	10,017,715
Business Programs									
Business Programs	Sub-Program								
C&I Direct Install	Direct Install*	5,341	18,017	11,771	65.3%	5,837	N/A	104,249	199,433
Energy Solutions for Business	Prescriptive	6,864	381,603	7,764	2.0%	7,501	N/A	133,945	147,769
	Custom*	52,911	9,012	55,264	613.2%	57,827	N/A	859,264	893,080
	Energy Management	-	7,733	-	0.0%	-	N/A	-	-
	Engineered Solutions	-	-	-		-	N/A	-	-
Total Business		65,116	416,365	74,799	18.0%	71,165	N/A	1,097,459	1,240,282
Multi-Family*									
Multi-Family*	HPwES								
	Direct Install	13,363	(7,259)	24,209	-333.5%	14,604	N/A	133,628	242,089
	Prescriptive/Custom*								
	Engineered Solutions								
Total Multi-Family		13,363	(7,259)	24,209	-333.5%	14,604	N/A	133,628	242,089
Other Programs									
Home Optimization & Peak Demand Reduction									
Total Other									
Portfolio Total		362,772	1,242,591	1,492,020	120.1%	396,477	N/A	3,398,840	11,500,087

* 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.

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q4

		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings		Ex Ante Energy Savings	
		A	B	C	D	E	F	G	H
		Reported Participation Number YTD		Reported Incentive Costs YTD (\$000)		Reported Retail Energy Savings YTD (MWH)		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	LMI	Non-LMI or Unverified
Efficient Products*	On line Marketplace	0	308,120	\$0	\$2,281	-	32,726	-	489,642
	Other Efficient Product Subprograms	113,776	1,855,593	\$4,975	\$28,911	17,651	351,249	172,711	304,516
	Total Efficient Products	113,776	2,163,713	\$4,975	\$31,192	17,651	383,975	172,711	794,157
Existing Homes	Home Performance with Energy Star*	186	1,381	\$1,427	\$13,847	73	628	3,739	36,697
	Quick Home Energy Check-Up	3,311	9,118	\$812	\$2,339	1,880	5,753	9,355	21,896
	Total Existing Homes	3,497	10,499	\$2,239	\$16,186	1,953	6,381	13,094	58,593
Income Eligible	Income Eligible Weatherization	102,566	-	\$2,748	\$0	16,304	-	7,140	-
Home Energy Education & Management	Behavioral Energy	22,937	1,256,973			395	45,405	2,144	345,172
Total Residential		242,776	3,431,185	\$9,962	\$47,378	36,303	435,761	195,089	1,197,923
Multi-Family*									
Multi-Family	HPwES								
	Direct Install	3,696	3,155	\$578	\$460	1,336	1,148	13,791	10,418
Total Multi-Family		3,696	3,155	578	460	1,336	1,148	13,791	10,418
Other Programs									
Home Optimization & Peak Demand Reduction									
Total Other									
Portfolio Total		246,472	3,434,340	\$10,541	\$47,838	37,639	436,908	208,880	1,208,341

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

Energy Efficiency and PDR Savings Summary

For Period Ending PY22Q4

		Participation		Incentive Expenditures (Customer Rebates and Low/no-cost financing)		Ex Ante Energy Savings		Ex Ante Energy Savings	
		A	B	C	D	E	F	G	H
		Reported Participation Number YTD		Reported Incentive Costs YTD (\$000)		Reported Retail Energy Savings YTD (MWH)		Reported Retail Energy Savings YTD (DTh)	
Business Programs	Sub-Program	Small Commercial	Large Commercial	Small Commercial	Large Commercial	Small Commercial	Large Commercial	Small Commercial	Large Commercial
C&I Direct Install	Direct Install*	37,961	-	\$5,034	0	16,558	-	11,771	-
Energy Solutions for Business	Prescriptive	3,310	698	\$29,840	\$8,591	153,985	45,251	7,357	407
	Custom*	15	13	\$1,613	\$715	787	1,233	40,087	15,177
	Energy Management	-	-	\$0	\$0	-	-	-	-
	Engineered Solutions	-	-	\$0	\$0	-	-	-	-
Total Business		41,286	711	\$36,487	\$9,305	171,330	46,484	59,215	15,584
Multifamily	Prescriptive/Custom								
	Engineered Solutions								
Total Multi-Family									
	Other Programs								
Peak Demand Reduction									
Total Other									
Portfolio Total		41,286	711	\$36,487	\$9,305	171,330	46,484	59,215	15,584

Appendix E Annual Report Baseline Calculation
For Period Ending PY22Q4

Energy Efficiency Compliance Baselines and Benchmarks												
Fuel (units)	Plan Year	Sales Period	Sales (A)	Adjustments (B)	Adjusted Retail Sales (C) = (A)-(B)	Compliance Baseline (D) = Average (C)	Overall Annual Energy Reduction Target (%) (E)	Overall Annual Energy Reduction Target (F) = (E) * (D)	State-Administered Annual Energy Reduction Target (%) (G)	State-Administered Annual Energy Reduction Target (H) = (G) * (D)	Utility-Administered Annual Energy Reduction Target (%) (I)	Utility-Administered Annual Energy Reduction Target (J) = (I) * (D)
Electric (kwh)	2019	7/1/18 - 6/30/19	41,443,102,342	-	41,443,102,342							
	2020	7/1/19 - 6/30/20	39,767,203,889	-	39,767,203,889							
	2021	7/1/20 - 6/30/21	40,406,316,265	-	40,406,316,265							
	Program Year 2022					40,538,874,165	NA		NA		NA	
Natural Gas (dekatherms)	2019	7/1/18 - 6/30/19	393,370,330	3,893,099	389,477,231							
	2020	7/1/19 - 6/30/20	349,243,785	2,654,764	346,589,021							
	2021	7/1/20 - 6/30/21	344,035,303	2,300,310	341,734,993							
	Program Year 2022					359,267,082	NA		NA		NA	

Notes:

(A) reflects calendar sales as reported on FERC forms 1 (electric) and 2 (natural gas), adjusted for the Program Year sales period

(B) adjustment for natural gas sales is sales from PSE&G Cogeneration Interruptive Gas (CIG) service tariff, which is exclusively sales to customers for cogeneration

(E, G, I) No formal targets were established for PY22 in the June 2020 Framework Order

Appendix F – Energy Savings with FY2022 TRM Addendum

For compliance purposes throughout the first triennium, the utilities calculate program savings (collectively, "Primary Metrics") based on a mix of protocols from the FY20 NJCEP Protocols, FY21 NJCEP Protocols Addendum, and TRMs from other states when no applicable NJ-specific measure calculation is available. This mix of protocols is cataloged in the Joint Utility Coordinated Measures List. The EM&V Working Group created the 2022 TRM Addendum to address key non-NJ specific and dated assumptions in the Coordinated Measures List. Program Energy Savings Metrics calculated with the 2022 TRM Addendum are called the "Secondary Metrics". The Secondary Metric values are informational for stakeholders to assess program performance under a more current and NJ-specific measure calculation approach and to inform future program design.

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

Annual Energy Savings ¹	Annual Retail (MWh)	Annual Target Retail Savings (MWh)	Percent of Annual Target	Annual Retail (Dth)	Annual Target Retail Savings (Dth)	Percent of Annual Target
Residential	472,064	257,823	183%	1,393,012	833,484	167%
Multifamily	2,484	8,731	28%	24,209	(7,259)	-334%
C&I	217,814	172,813	126%	74,799	416,365	18%
Reported Totals for Utility Administered Programs	692,362	439,367	158%	1,492,020	1,242,591	120%

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

Annual Energy Savings ¹	Annual Retail (MWh)	Annual Target Retail Savings (MWh)	Percent of Annual Target	Annual Retail (Dth)	Annual Target Retail Savings (Dth)	Percent of Annual Target
Residential	472,064	257,823	183%	1,382,401	833,484	166%
Multifamily	2,484	8,731	29%	24,209	(7,259)	-334%
C&I	223,424	172,813	129%	(12,856)	416,365	-3%
Reported Totals for Utility Administered Programs	697,972	439,367	159%	1,393,754	1,242,591	112%

¹ Annual energy savings represent the total expected annual savings from all energy efficiency measures within each sector, and not only those measures affected by the FY2022 TRM Addendum.

	Primary Metric Electric (MWh) - 2020/21 TRM	Secondary Metric Electric (MWh) 2022 TRM	Primary Metric - Gas (Dth) - 2020/21 TRM	Secondary Metric - Gas (Dth) - 2022 TRM
Annual Savings	692,362	697,972	1,492,020	1,393,754
Lifetime Savings	9,360,229	3,625,802		

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

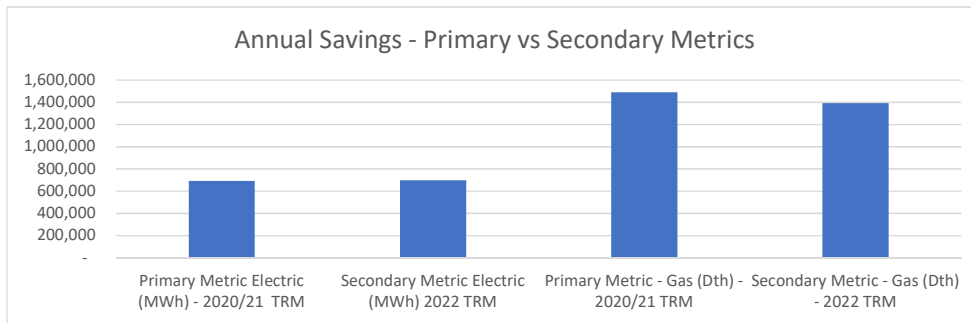
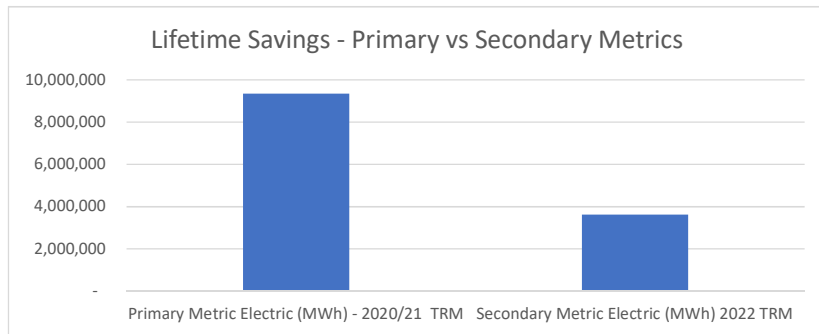


Figure F-2 - Program Year [2022] Portfolio-Level Lifetime Energy Savings – Primary vs Secondary Metrics



Appendix G - Ex-ante Energy Savings held by Utility for Transfer

The following data are presented to provide Board Staff visibility into the full picture of statewide annual ex-ante energy projects in progress, with these energy savings being excluded from data presented in the body of the report. These data are based upon coordinated program projects completed by a lead utility and awaiting transfer to a partner utility. The data presented are estimates and are subject to change during transfer to and verification by partner utilities. Transferred savings and associated costs will be included in partner utility results once allocated by the Statewide Coordination platform.

Estimated Annual Energy Savings Held by (insert Utility name)		
Program	Dth held for transfer	MWh held for transfer
Res Efficient Products	46,345	4,689
RES Existing Homes	8,496	894
Income Eligible Weatherization	245	49
RES Multifamily	2,735	0
C&I DI Small Non-Res	1,648	753
C&I Prescriptive	0	0
C&I Custom	0	0
C&I Energy Management	0	0
C&I Engineered Solutions	0	0
Total	59,470	6,384

Appendix H - Cost Effectiveness Test Details

Thousands (\$)

	Residential	Business	MF	Total Portfolio
Total Resource Cost Test (TRC)				
1 Lifetime Avoided Electric Supply Costs	\$168,012	\$92,030	\$969	\$261,011
2 Lifetime Avoided Electric Capacity Costs	\$23,122	\$37,543	\$139	\$60,803
3 Lifetime Avoided Natural Gas Supply Costs	\$33,532	\$3,370	\$824	\$37,725
4 Lifetime Merit Order (DRIPE) Benefits	\$52,541	\$28,780	\$303	\$81,624
5 Lifetime REC Avoided Purchases	\$32,086	\$17,575	\$185	\$49,846
6 Lifetime Wholesale Volatility Value	\$22,467	\$13,294	\$193	\$35,954
7 Lifetime Avoided T&D Costs	\$21,463	\$34,849	\$129	\$56,440
Total Benefit = 1+2+3+4+5+6+7	\$353,221	\$227,440	\$2,740	\$583,401
8 Lifetime Participant Costs	\$8,751	\$31,802	\$0	\$40,553
9 Lifetime Administration Costs	\$35,390	\$26,676	\$1,064	\$63,130
10 Lifetime Program Investment Costs	\$42,207	\$26,548	\$325	\$69,080
Total Costs (9+10+11)	\$86,348	\$85,026	\$1,390	\$172,763
Benefit Cost Ratio = (1+2+3+4+5+6+7)/(8+9+10)	4.09	2.67	1.97	3.38
Participant Cost Test (PCT)				
11 Lifetime Participant Benefits	\$1,023,120	\$230,115	\$7,256	\$1,260,491
12 Lifetime Repayment Benefits	\$9,977	\$230	\$0	\$10,207
Benefit Cost Ratio = (10+11+12)/(8+10)	21.10	4.40	23.30	12.22
Program Administrator Cost Test (PAC)				
Benefit Cost ratio = (1+2+3+4+5+6+7)/(9+10+12)	4.03	4.25	1.97	4.10
Ratepayer Impact Measure Test (RIM)				
13 Lifetime utility Revenue Gained	\$4	\$7	\$0	\$10
14 Lifetime Utility Cost	\$983,526	\$205,219	\$6,951	\$1,195,696
Benefit Cost ratio = (1+2+3+4+5+6+7+13)/(9+10+12+14)	0.33	0.88	0.33	0.44

Appendix H - Cost Test

Societal Cost Test (SCT)				
15 Lifetime Avoided Electric Supply Costs	\$200,010	\$110,701	\$1,136	\$311,847
16 Lifetime Avoided Electric Capacity Costs	\$29,365	\$48,028	\$173	\$77,566
17 Lifetime Avoided Natural Gas Supply Costs	\$79,522	\$8,948	\$1,989	\$90,459
18 Lifetime Merit Order (DRIPE) Benefits	\$57,463	\$31,804	\$326	\$89,594
19 Lifetime REC Avoided Purchases	\$32,654	\$18,073	\$185	\$50,912
20 Avoided Wholesale Volatility Costs	\$30,890	\$16,768	\$330	\$47,987
21 Lifetime Avoided T&D Costs	\$27,257	\$44,582	\$160	\$72,000
22 Lifetime Avoided Emission Benefit	\$507,845	\$281,079	\$2,885	\$791,809
23 Lifetime Economic Multiplier Benefit	\$32,217	\$24,966	\$1,416	\$58,599
Total Benefit = (15+16+17+18+19+20+21+22+23)	\$997,223	\$584,948	\$8,601	\$1,590,772
24 Lifetime Participant Costs	\$8,751	\$31,802	\$0	\$40,553
25 Lifetime Administration Costs	\$36,116	\$25,926	\$1,088	\$63,130
26 Lifetime Program Investment Costs	\$42,207	\$26,548	\$325	\$69,080
Total Costs = (24+25+26)	\$87,074	\$84,276	\$1,414	\$172,763
Benefit Cost Ratio = (16+17+18+19+20+21+22+23+24)/(24+25+26)	11.45	6.94	6.08	9.21
New Jersey Cost Test (NJCT)				
27 Lifetime Avoided Electric Supply Costs	\$173,524	\$96,148	\$985	\$270,656
28 Lifetime Avoided Electric Capacity Costs	\$13,123	\$21,476	\$77	\$34,676
29 Lifetime Avoided Natural Gas Supply Costs	\$68,752	\$7,718	\$1,718	\$78,188
30 Lifetime Merit Order (DRIPE) Benefits	\$53,156	\$29,453	\$302	\$82,911
31 Lifetime Merit Order (DRIPE) Capacity Benefits	\$66,464	\$108,767	\$390	\$175,621
32 Lifetime Avoided T&D Costs	\$12,398	\$20,288	\$73	\$32,759
33 Lifetime Avoided Ancillary Services Costs	\$30,101	\$16,678	\$171	\$46,950
34 Lifetime Avoided Emission Benefit	\$241,710	\$133,929	\$1,372	\$377,011
35 Lifetime Non Energy Benefits x 5%	\$32,961	\$21,723	\$254	\$54,939
Total Benefit = 27+28+29+30+31+32+33+34+35	\$692,189	\$456,180	\$5,341	\$1,153,710
Benefit Cost Ratio = (27+28+29+30+31+32+33+34+35)/(24+25+26)	7.95	5.41	3.78	6.68

Net Present Value of Utility Cost Test Net Benefits (Thousands \$)

NPV = (1+2+3+4+5+6+7) - (9+10+12)

\$440,983
