

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE FILINGS OF THE
COMPREHENSIVE RESOURCE ANALYSIS
OF ENERGY PROGRAMS PURSUANT TO
SECTION 12 OF THE ELECTRIC DISCOUNT
AND ENERGY COMPETITION ACT OF 1999**

**BPU Docket Nos. EX99050347,
EO99050348, EO99050349,
EO99050350, EO99050351,
GO99050352, GO99050353, and
GO99050354**

PROGRAM COMPLIANCE FILING

SUPPLEMENT 1

Overview

This Supplement 1 to the April 9, 2001 Program Compliance Filing contains five Attachments:

- Attachment 1 – Energy and Economic Assessment of Energy Efficiency Programs (Cost Effectiveness)
- Attachment 2 - Protocols to Measure Resource Savings
- Attachment 3 - Program Evaluation Plan
- Attachment 4 - Regulatory Reporting
- Attachment 5 - Performance Incentives

Four of the five Attachments present inter-related plans and analyses to support regulatory reporting, measure energy savings, assess program cost effectiveness and environmental benefits, and track and evaluate program implementation. These plans are presented in the current context of designing, implementing, and assessing the performance of statewide market transformation programs - a new generation of programs undertaken to overcome market barriers to the widespread availability, purchase and use of high efficiency and clean energy generation products and services in New Jersey.

The Energy and Economic Assessment of Energy Efficiency Programs (Cost Effectiveness) (Attachment 1) presents the projected impacts of programs, including market effects, and their relationship to costs in a multi-year analysis. The Protocols to Measure Resource Savings (Attachment 2) provide the methods to measure unit savings for program tracking and reporting.

The Program Evaluation Plan (Attachment 3) outlines the plans for assessing markets and program progress in transforming markets, and to verify key assumptions used in the Protocols to assess program energy savings. Regulatory Reporting (Attachment 4) provides formats and definitions to be used to document program expenditures, participation rates, and program impacts, including energy and resource savings. The program tracking systems, that support program evaluation and reporting, will track and record the number of units adopted due to the program, and assist in documenting the resource savings using the unit savings values in the Protocols. The assumptions and methods used in these statewide analyses are consistent and integrated (e.g., the same unit savings were used to project program savings, to assess program cost-effectiveness and environmental benefits, and to set savings goals for program performance incentives).

The fifth attachment describes the performance incentives proposed to reward successful program performance in 2001 for most of the energy efficiency programs. Program performance is based on energy savings achieved as well as on the successful engagement of the marketplace to offer high efficiency products and services.

The analysis and information are provided for the programs listed below in Table 1.

For programs that are “information only,” the analyses do not include projected energy savings or associated economic or environmental benefits. It is difficult to project specific energy savings for these programs, nor has it previously been required. These programs are a continuation of previous programs. However, Attachment 3 proposes an evaluation plan to review program impacts.

Projected energy or capacity savings, and associated environmental and economic impacts, were not developed for the Appliance Cycling Maintenance Programs as it is in a maintenance mode and will not generate any incremental savings.

Projected energy or capacity savings, and associated environmental and economic impacts, were not developed for the Customer Sited Clean Energy Generation Program as more experience is needed to best understand how much can be accomplished beyond the initial kWh goal set for the year (provided with the April 9 Program Compliance Filing). The initial kWh goal is simply a starting point. Program experience and evaluation will help provide the necessary information to develop these projections for the Customer Sited Program in the future.

Respectfully submitted,

ATLANTIC CITY ELECTRIC COMPANY,
d/b/a CONECTIV POWER DELIVERY

By: _____

JERSEY CENTRAL POWER & LIGHT
COMPANY, d/b/a GPU ENERGY

By: _____

PUBLIC SERVICE ELECTRIC AND GAS
COMPANY

By: _____

NEW JERSEY NATURAL GAS COMPANY

By: _____

SOUTH JERSEY GAS COMPANY

By: _____

NUI ELIZABETHTOWN GAS COMPANY

By: _____

ROCKLAND ELECTRIC COMPANY

By: _____

Dated: July 9, 2001

**Table 1 Summary of Analyses and Supporting Information
By Program**

| | Projected Energy Savings | Projected Economic Benefits | Projected Environmental Benefits | Energy Saving Protocols | Program Evaluation | Regulatory Reporting | Performance Incentives |
|---|--------------------------|-----------------------------|----------------------------------|-------------------------|--------------------|----------------------|------------------------|
| Residential Energy Efficiency | | | | | | | |
| Residential HVAC Electric | X | X | X | X | X | X | X |
| Residential HVAC Gas | X | X | X | X | X | X | X |
| Residential Windows | X | X | X | X | X | X | X |
| Residential Low Income | X | X | X | X | X | X | X |
| Residential New Construction | X | X | X | X | X | X | X |
| Residential Retrofit | | | | | X | X | |
| Residential Lighting Appliances | X | X | X | X | X | X | X |
| | | | | | | | |
| Nonresidential Energy Efficiency | | | | | | | |
| Commercial/Industrial Construction | X | X | X | X | X | X | X |
| Building Operation & Maintenance | X | X | X | X | X | X | X |
| Compressed Air | X | X | X | X | X | X | X |
| | | | | | | | |
| Appliance Cycling Maintenance | | | | | | X | |
| Schools EE&R Education | | | | | | X | |
| | | | | | | | |
| Customer Sited Clean Energy Generation | | | | X | X | X | |