

PEOPLES GAS®
ENERGY EFFICIENCY PROGRAM

NORTH SHORE GAS®
ENERGY EFFICIENCY PROGRAM



February 14, 2020

Quarterly Report of the North Shore Gas Company and the Peoples Gas Light and Coke Company

Program Year 2019, 4th Quarter Report, October 2019 – December 2019

Pursuant to the Illinois Commerce Commission (“Commission”) final order in Docket No. 17-0309, attached is the Program Year 2019, Fourth Quarter (4Q) qualitative report accompanying the 2019, 4Q quantitative report which details program results from a savings and cost perspective.

Peoples Gas

I. Program, Sector and Portfolio Ex Ante Results

At the end of the fourth quarter, the Peoples Gas Energy Efficiency Program achieved 105% of realized Approved Net Therm goals, with Business programs contributing 40%; Residential programs 50%; and Income Qualified programs 10% of the realized savings. Ex Ante results are detailed in the Q4 Quantitative report.

II. Portfolio Level Costs

At the end of the fourth quarter, the Peoples Gas Energy Efficiency Program utilized 97% of the budget, with Business programs comprising 27%, Residential programs 31%, Income Qualified programs 39%, and Demonstration of Breakthrough Equipment and Devices 3% of the total costs. Program costs are detailed in the Q4 Quantitative report.

III. Program Level Narratives

I. Business – Commercial and Industrial

Program Descriptions

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Incentives are provided to new construction projects that surpass the region’s building codes to improve energy efficiency.
Gas Optimization Studies	Provides an analysis of a facility’s energy using systems and identifies no- and low-cost improvement measures to achieve natural gas savings.
Retro-Commissioning	Offers a full-building tune-up through a systematic evaluation of mechanical and electrical systems to help facilities perform optimally. Identifies low-cost energy-saving operational improvements that can pay for themselves in 18 months or less.
Engineering Studies	Provides an analysis of a single system within a facility’s operations to support the implementation of a natural gas saving project.
Smart Check Studies	Offers customers a detailed gas optimization study, an inventory of uninsulated steam piping, and a steam trap survey. Study findings are summarized in a Natural Gas Efficiency Plan to provide a phased approach to implement identified measures.
Staffing Grant	A staffing grant is offered to customers who have identified energy efficiency projects that cannot be completed due to lack of staff time or availability. Customers may receive up to \$50,000 per year.
Strategic Energy Management (SEM)	Customers engage in a continuous improvement approach to energy efficiency by involving site management, leveraging data, and by promoting best practices at the site.

Key Program Changes

- New measures:
 - None in Q4
 - Implemented a streamlined method to incentivize smaller custom pipe insulation projects which allowed us to reach additional customers.

Description of Program Successes

- The outreach team conducted a reach-back campaign to previous participants of the Smart Check program, leading to successful implementation of previously identified energy efficiency projects. This helped to achieve 88% of the Peoples Gas business program C&I goal.
- Increased engagement from new outreach focused subcontractors, service providers, and trade allies led to significant increases in program savings for 2019 and established pipeline savings opportunities for 2020.
- Continued engagement of existing and new trade allies to ensure active participation in the programs. Outreach efforts included monthly newsletters, monthly trade ally engagement webinars, and active recruitment of new partner trade allies.

Description of Program Challenges

- Continued focus on increasing program savings per dollar spent.

I. Business – Public Sector

Program Descriptions

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Incentives are provided to new construction projects that surpass the region’s building codes to improve energy efficiency.
Gas Optimization Studies	Provides an analysis of a facility’s energy using systems and identifies no- and low-cost improvement measures to achieve natural gas savings.
Retro-Commissioning	Offers a full-building tune-up through a systematic evaluation of mechanical and electrical systems to help facilities perform optimally. Identifies low-cost energy-saving operational improvements that can pay for themselves in 18 months or less.
Engineering Studies	Provides an analysis of a single system within a facility’s operations to support the implementation of a natural gas saving project.
Smart Check Studies	Offers customers a detailed gas optimization study, an inventory of uninsulated steam piping, and a steam trap survey. Study findings are summarized in a Natural Gas Efficiency Plan to provide a phased approach to implement identified measures.
Staffing Grant	A staffing grant is offered to customers who have identified energy efficiency projects that cannot be completed due to lack of staff time or availability. Customers may receive up to \$50,000 per year.

Key Program Changes

- New measures:
 - None in Q4

Description of Program Successes

- Over Q4, we have engaged further with key customer contacts and contractors to achieve energy savings. We have focused on opportunities identified in Q3 at sizeable public sector facilities where contractors have begun scheduling site visits to quantify and implement those measures.
- Continued to develop relationships with new contractors to increase program visibility and engagement in the public sector.
- Engaged with customers’ executive leadership to increase top-down and bottom-up support, and to have a better understanding of capital expenditures.
- In Q4, we collected data from our large public sector customers to calculate the energy savings potential that could be supported by a streamlined incentive structure. The goal is to supply a fixed set of energy efficiency measures at no-cost when bundling several projects of the same measure type between 50 and 200 facilities. The streamlined incentive structure was developed in Q3 in partnership with trade allies and the large public sector customers to streamline the

implementation of multiple projects within customer property portfolios, and to help overcome challenging procurement requirements.

- A Customer Appreciation event was hosted for Peoples Gas. The event recognized customers for their achievements in energy efficiency and included an awards ceremony for outstanding customer successes. The event was hosted – and tours were provided – at the facility of customers who had previously completed an energy efficiency project.

Description of Program Challenges

- Long procurement timelines in the public sector make it challenging to implement low-cost measures.
- Continued focus is needed on establishing critical relationships in the public sector to continue moving identified energy-saving projects forward, as well as maintaining momentum when customers experience staff turnover.

II. Business – Small and Midsize Business

Program Descriptions

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Incentives are provided to new construction projects that surpass the region’s building codes to improve energy efficiency.

Key Program Changes

- New measures: None in Q4
- Bonuses offered to Partner Trade Allies through the end of the year:
 - Space Heating Tune-up Bonus
 - Process Boiler Tune-up Bonus
 - Project Bundling Bonus
 - Domestic Hot Water and Hydronic Pipe Insulation Bonus

Description of Program Successes

- Assessment at college led to over 20 boiler tune-up and steam trap projects, which will lead to over 70,000 therms.
- Outbound call campaign led to over 150,000 therm savings.
- In Q4, a boiler tune-up promotion led to over 105 boiler tune-ups.
- Over 122 projects were completed in Q4, which represents over 40% of the realized projects for the year.
- 65% of the realized savings came from customers with an annual gas usage less than 150,000 therms. The remaining 35% of the savings came from mid-size customers with an annual gas usage of 150,000-400,000 therms. This is an impressive accomplishment for the Small and Midsize Business program because the mid-size customer segment was introduced in Q2.
- Launched a Restaurant Kit distribution campaign with free saving products to restaurants, a difficult market to penetrate.

Description of Program Challenges

- The Small and Midsize Business program serves an underserved market that requires increased outreach and marketing efforts to reach customers. Adding tactics to reach these audiences continues to be a priority, and we ramped up efforts to engage the newly eligible mid-sized customer segment in Q2 of 2019.

III. Residential – Single Family Programs

Program Descriptions

Program Name	Description
Home Energy Jumpstart (HEJ)	Offers an assessment and direct installation of energy-saving materials at no cost to the customer. Additional measures are available for a co-pay.
Home Energy Rebates (HER)	Offers rebates on energy-efficient equipment and qualifying weatherization projects for residential customers.
Home Energy Reports	An opt-out program that provides residential customers with free reports showing their energy usage compared to their peers, with tips for reducing energy consumption in the home.
Elementary Education	Elementary education program targeting fifth-grade classrooms, providing teachers with energy efficiency lesson plans, activity guides, and take-home kits for students containing free direct installation materials for their home.

Key Program Changes

- None in Q4.

Description of Program Successes

- Realizing higher than anticipated therm savings per home in the Home Energy Jumpstart program (37 therms per home actual vs. 33 therms per home planned).
- High customer satisfaction score of 4.86 out of 5.00 for Home Energy Jumpstart and 9.99 out of 10.00 for Home Energy Rebates.
- Streamlined online HVAC rebate submission process for registered trade allies by reducing required paperwork.
- Completed 20 HVAC trade ally outreach events in the quarter, including 14 information booths at distributors reaching multiple contractors at each event.
- Initial work on smart thermostat stacked gas rebates via the ComEd Marketplace was delayed until Q4 integration work. This effort ultimately was not launched in 2019 due to a change in direction for the ComEd Marketplace. Therms were instead achieved by cost-sharing smart thermostat incentives with ComEd.
- The Elementary Education Program therm savings per kit were adjusted higher per the Wave 1 EMV report.

Description of Program Challenges

- Balancing the ups and downs in program demand for Home Energy Jumpstart. At the start of Q4 inbound demand was low, marketing and outreach efforts turned that around, along with heating season picking up. By mid Q4 demand had turned around. At the end of Q4 demand kept up, and wait times began to increase rapidly.
- The two-week Chicago School District teacher strike slowed down enrollments in the Super Savers program.

IV. Residential – Multi-Family

Program Descriptions

Program Name	Description
Multi-Family Energy Jumpstart	Offers free direct installation of energy-saving measures for multi-family buildings.
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
Gas Optimization	Analysis of energy-using systems to identify no- and low-cost improvements to achieve natural gas savings.
New Construction Prescriptive and Custom Rebates	Incentives are provided for new construction that surpasses the region’s building codes to improve energy efficiency.

Key Program Changes

- Continued a limited time bonus for qualified Partner Trade Allies for increased incentive levels for the following measures:
 - Domestic Hot Water Pipe Insulation
 - Hydronic Pipe Insulation
- Updated the On-Demand Domestic Hot Water Recirculating Pump controller rebate (incentive and program requirements) to facilitate participation better.

Description of Program Successes

- On-Demand DHW Pump controller, pipe insulation, and steam traps are all driving program to the savings target
- Over 30 projects are pre-approved to provide a strong pipeline into 2020

Description of Program Challenges

- To manage program budget, outreach is centered on a few key measures with a more limited trade ally network
- Inconsistent weather in Q4 provided challenges with forecasting the implementation of specific measures such as steam traps

V. Income Eligible Programs

Program Descriptions

Program Name	Description
Multi-Family Income Eligible	Offers prescriptive gas rebates, energy assessments, and direct-install at income-qualified multi-family buildings.
Public Housing	Offers prescriptive and custom rebates for gas measures in housing owned by Public Housing Authorities.
Income Eligible Weatherization	Offers direct install products and no-cost weatherization services for income-eligible single-family home customers.
Affordable Housing New Construction	Provides custom incentives for Affordable Housing New Construction projects, jointly delivered with ComEd.
Illinois Home Weatherization Assistance Program	Provides supplemental funding for energy efficiency projects for low-income residents.

Key Program Changes

- Program design research is underway for an energy savings kit for Income Eligible customers. This kit will focus on water and gas savings and will be distributed initially to LIHEAP grant recipients.
- 5,000 kits were mailed out in Q4. Finalizing postcard and online survey details is underway and more are expected to be mailed in Q1 of 2020.

Description of Program Successes

- All income eligible programs started on time in 2019 and have continued through Q4 with a strong performance.
- All programs are in the second year of implementation and have the momentum to achieve higher volumes than in 2018. Working with programs to manage budget and therm savings.
- The CBA Program continued high participation rates and met its adjusted savings and spend goals at the end of Q4.
- All programs have produced a consistently high customer satisfaction score.

Following are the achievements by program through Q4:

Program	Net Therms Achieved	% of Annual Goal
CBA	356,372	91%
Elevate - IEMS	318,511	142%
Elevate - PHES	62,462	65%
IHWAP - SF	39,240	89%
IHWAP - MF	16,974	23%
AHNC	8,062	116%

Description of Program Challenges

- The success of these programs has created an additional challenge, which is to maximize cost efficiency while maintaining a healthy mix of measures to serve the broad customer base for the income-eligible segment. Programs are aiming to maintain the 2018 spend levels and achieve greater therm savings.

VI. Demonstration of Breakthrough Equipment and Devices

Program Descriptions

Program Name	Description
Research and Development	Focused on evaluating innovative technologies and projects for possible inclusion in programs to achieve additional therm savings. Projects are funded through research organizations, educational institutions, and non-profit organizations.

Key Program Changes

- Q4 saw Market Transformation initiatives expanding with preparation for new project launches in 2020 as joint IOU MT initiatives.

Description of Program Successes

- The IIT Open Source Building Sensors and Controls project (OSBS) is leveraging Peoples Gas funding to pursue a substantial DOE grant.

Description of Program Challenges

- While the successful and innovative Art Institute of Chicago project implementation continues onto the next phase, the pace of progress has moved the anticipated start of expansion into additional galleries into 2020.

Peoples Gas Portfolio Level Narrative

- All measures that are demonstrated as successful through a Program Administrator Breakthrough Equipment and Devices Program
 - Venturi steam trap project phase II in implementation
- Fund-shifts meeting threshold of Section 6.1
 - N/A
- Key changes to marketing strategies implemented. Digital channel and data adaptation in development.
 - Win-back strategies incorporated into business and residential programs. Q4 focused on a reach-back campaign to previous customers of HEJ and business programs to better promote and highlight successes in 2020.
 - Q4 Outreach efforts exceeded 99 event completions
 - The digital marketing campaign for Home Energy Rebates tied to weatherization completed, new campaign scheduled to launch 2020 – Q1
- List of market research studies conducted by consultants if study costs exceed \$25,000 and are not protected by license agreements or other proprietary arrangements
 - N/A
- Brief description of new pilots/programs, including target market, strategy, and key Measures
 - Expanded compliance code project anticipated in 2020
- Any discontinued programs
 - N/A

North Shore Gas

I. Program, Sector and Portfolio Ex Ante Results

At the end of the fourth quarter, the North Shore Gas Energy Efficiency Program achieved 103% of realized savings, with Business programs contributing 51% of savings; Residential programs 47%, and Income Qualified programs 2%. Ex Ante results are detailed in the Q4 Quantitative report.

II. Portfolio Level Costs

At the end of the fourth quarter, the North Shore Gas Energy Efficiency Program utilized 93% of the budget, with Business programs comprising 31% of costs; Residential programs 50%, Income Qualified 14%, and Demonstration of Breakthrough Equipment and Devices 5%. Costs are detailed in the Q4 Quantitative report.

III. Program Level Narratives

I. Business – Commercial and Industrial

Program Descriptions

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Incentives are provided to new construction projects that surpass the region's building codes to improve energy efficiency.
Gas Optimization Studies	Provides an analysis of a facility's energy using systems and identifies no- and low-cost improvement measures to achieve natural gas savings.
Retro-Commissioning	Offers a full-building tune-up through a systematic evaluation of mechanical and electrical systems to help facilities perform optimally. Identifies low-cost energy-saving operational improvements that can pay for themselves in 18 months or less.
Engineering Studies	Provides an analysis of a single system within a facility's operations to support the implementation of a natural gas saving project.
Smart Check Studies	Offers customers a detailed gas optimization study, an inventory of uninsulated steam piping, and a steam trap survey. Study findings are summarized in a Natural Gas Efficiency Plan to provide a phased approach to implement identified measures.
Staffing Grant	A staffing grant is offered to customers who have identified energy efficiency projects that cannot be completed due to lack of staff time or availability. Customers may receive up to \$50,000 per year.
Strategic Energy Management (SEM)	Customers engage in a continuous improvement approach to energy efficiency by involving site management, leveraging data, and by promoting best practices at the site.

Key Program Changes

- New measures: None in Q4

Description of Program Successes

- Close collaboration with key customers has led to substantial energy savings achievement of 96% of the private sector annual goal.
- Continued engagement of existing and new trade allies to ensure that they are actively participating in the programs.
- Customer Appreciation Event included an awards ceremony for customer engagement and tour of the customer site that had engaged previously in the EE programs.

Description of Program Challenges

- Significant goal increase in territory savings targets continues to be a struggle as there are fewer large facilities with more modern systems resulting in more scarce opportunities. Current savings are a result of a few large projects being implemented.

II. Business – Public Sector

Program Descriptions

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Incentives are provided to new construction projects that surpass the region’s building codes to improve energy efficiency.
Gas Optimization Studies	Provides an analysis of a facility’s energy using systems and identifies no- and low-cost improvement measures to achieve natural gas savings.
Retro-Commissioning	Offers a full-building tune-up through a systematic evaluation of mechanical and electrical systems to help facilities perform optimally. Identifies low-cost energy-saving operational improvements that can pay for themselves in 18 months or less.
Engineering Studies	Provides an analysis of a single system within a facility’s operations to support the implementation of a natural gas saving project.
Smart Check Studies	Offers customers a detailed gas optimization study, an inventory of uninsulated steam piping, and a steam trap survey. Study findings are summarized in a Natural Gas Efficiency Plan to provide a phased approach to implement identified measures.
Staffing Grant	A staffing grant is offered to customers who have identified energy efficiency projects that cannot be completed due to lack of staff time or availability. Customers may receive up to \$50,000 per year.

Key Program Changes

- New measures:
 - None in Q4
- Program added a dedicated team member to engage public sector customers in the North Shore territory.

Description of Program Successes

- Significant increase in customer engagement with new outreach strategies in place.
- Scheduled over 20 site assessments in the territory to investigate energy savings opportunities.

Description of Program Challenges

- Long procurement timelines in the public sector make it challenging to implement low-cost measures.
- Continued focus on establishing critical relationships in the public sector to continue moving identified energy saving projects forward, as well as maintaining momentum when they experience staff turnover.

III. Business – Small and Midsize Business

Program Descriptions

Program Name	Description
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom incentives are awarded for the non-standard technologies or for projects that do not include a one-for-one replacement. This is based on the review of several operating parameters that determine energy savings.
New Construction Rebates	Incentives are provided for new construction that surpasses the region’s building codes to improve energy efficiency.

Key Program Changes

- New measures:
 - None in Q4
- Bonuses offered to Partner Trade Allies through the end of the year:
 - Space Heating Tune-up Bonus
 - Process Boiler Tune-up Bonus
 - Project Bundling Bonus
 - Domestic Hot Water and Hydronic Pipe Insulation Bonus

Description of Program Successes

- No-cost Boiler Tune-up campaign resulted in over 40,000 therms savings.
- One Trade Ally brought in over 20 projects, which resulted in over 35,000 therms.
- 73% of the savings came from customers with less than 150,000 therms annual gas usage. The remaining 27% of the savings came from the mid-size customers with annual gas usage between 150,000-400,000 therms.
- 61% of the realized savings came from smaller customers with less than 50,000 therms annual gas usage
- In Q4, launched a Restaurant Kit distribution campaign with free saving products to restaurants, a difficult market to penetrate.

Description of Program Challenges

- The small and midsize business program continued to engage larger customers in 2019. This is an underserved market that requires a lot of more outreach and marketing efforts to reach customers.

IV. Residential – Single Family Programs

Program Descriptions

Program Name	Description
Home Energy Jumpstart (HEJ)	Offers an assessment and direct installation of energy-saving materials at no cost to the customer. Additional measures are available for a co-pay.
Home Energy Rebates (HER)	Offers rebates on energy-efficient equipment and qualifying weatherization projects for residential customers.
Home Energy Reports	An opt-out program that provides residential customers with free reports showing their energy usage compared to their peers, with tips for reducing energy consumption in the home.
Elementary Education	Elementary education program targeting fifth-grade classrooms, providing teachers with energy efficiency lesson plans, activity guides, and take-home kits for students containing free direct installation materials for their home.

Key Program Changes

- No changes in Q4.

Description of Program Successes

- Realizing higher than anticipated therm savings per home in the Home Energy Jumpstart program (33 therms per home actual vs. 20 therms per home planned).
- High customer satisfaction score of 4.72 out of 5.00 for Home Energy Jumpstart and 9.99 out of 10.00 for Home Energy Rebates.
- Streamlined online HVAC rebate submission process for registered trade allies by reducing required paperwork.
- Completed 20 HVAC trade ally outreach events in the quarter, including 14 information booths at distributors reaching multiple contractors at each event.
- Initial work on smart thermostat stacked gas rebates via the ComEd Marketplace was delayed until Q4 integration work. Ultimately this effort was not launched in 2019 due to change in direction with the ComEd Marketplace. Therms were instead achieved by cost-sharing smart thermostat incentives with ComEd.
- The Elementary Education Program therm savings per kit were adjusted higher per the Wave 1 EMV report.

Description of Program Challenges

- Programs are reviewing measure mixes to ensure cost-effective program delivery going into 2020.
- The number of students relative to the annual goal is “tight,” making enrollment a challenge.

V. Residential – Multi-Family

Program Descriptions

Program Name	Description
Multi-Family Energy Jumpstart	Offers free direct installation of energy-saving measures for multi-family buildings.
Prescriptive and Custom Rebates	Prescriptive rebates are standard incentive amounts for common types of energy efficiency measures. Custom rebates are awarded consideration to variables that affect the savings of energy efficiency projects.
Gas Optimization	Analysis of energy-using systems to identify no- and low-cost improvements to achieve natural gas savings.
New Construction Prescriptive and Custom Rebates	Incentives are provided for new construction that surpasses the region’s building codes to improve energy efficiency.

Key Program Changes

- Continued a limited time bonus for qualified Partner Trade Allies for increased incentive levels for the following measures:
 - Domestic Hot Water Pipe Insulation
 - Hydronic Pipe Insulation
- Updated the On-Demand Domestic Hot Water Recirculating Pump controller rebate (incentive and program requirements) to better accommodate customers and trade allies.

Description of Program Successes

- The program reached 2019 goal in Q2 of 2019
- Program is providing incentives for a diverse set of contractor-installed measures:
 - Boiler Tune-Ups
 - Outdoor Reset Controls
 - Pipe Insulation
 - Domestic Hot Water Storage Tank Insulation.

Description of Program Challenges

- North Shore Gas territory continues to be challenging to find comprehensive, cost-effective projects as the building stock is relatively modern compared to Peoples Gas territory. The program will continue to need to focus on DI offerings and serving buildings with hydronic space heating to achieve goals and remain cost-effective.

VI. Income Eligible Programs

Program Descriptions

Program Name	Description
Multi-Family Income Eligible	Offers prescriptive gas rebates, energy assessments, and direct-install at income-qualified multi-family buildings.
Public Housing	Offers prescriptive and custom rebates for gas measures in housing owned by Public Housing Authorities.
Affordable Housing New Construction	Provides custom incentives for Affordable Housing New Construction projects, jointly delivered with ComEd.
Illinois Home Weatherization Assistance Program	Provides supplemental funding for energy efficiency projects for low-income residents.

Key Program Changes

- No key program changes for 2019 besides the ones mentioned above.

Description of Program Successes

- All income eligible programs started on time in 2019 and have continued through Q4 with a strong performance.
- All programs are in the second year of implementation and have the momentum to achieve higher volumes than in 2018. Working with programs to manage budget and therm savings.
- All programs have produced a consistently high customer satisfaction score. A customer satisfaction survey was added to the IHWAP program in October 2019.

Following are the achievements by program through Q4:

Program	Net Therms Achieved	% of Annual Goal
Elevate - IEMS	1,886	41%
Elevate - PHES	3,880	61%
IHWAP - SF	4,298	30%
IHWAP - MF	24,065	193%

Description of Program Challenges

- The success of these programs has created an additional challenge, which is to maximize cost efficiency while maintaining a healthy mix of measures to serve the broad customer base for the income eligible segment.
- Programs are aiming to maintain the 2018 spend levels and achieve greater therm savings.

VII. Demonstration of Breakthrough Equipment and Devices

Program Descriptions

Program Name	Description
Research and Development	Focus is on evaluating innovative technologies and projects for possible inclusion in programs to achieve additional therm savings. Projects are funded through the research organizations, educational institutions, and non-profit organizations.

Key Program Changes

- Q4 saw Market Transformation initiatives expanding with preparation for new project launches in 2020 as joint IOU MT initiatives.

Description of Program Successes

- The IIT Open Source Building Sensors and Controls project (OSBS) is leveraging North Shore Gas funding to pursue a substantial DOE grant.

Description of Program Challenges

- Art Institute of Chicago project implementation of the next phase is starting with expansion into additional galleries anticipated through 2020.

IV. North Shore Gas Portfolio Level Narrative

- All measures that are demonstrated as successful through a Program Administrator Breakthrough Equipment and Devices Program
 - Venturi steam trap project phase II in implementation
- Fund-shifts meeting threshold of Section 6.1
 - N/A
- Key changes to marketing strategies such as new marketing channels or marketing campaigns
 - CHP participation initiatives – unique landing page development
 - Q4 Outreach efforts exceeded 99 event completions to date
 - Trade Ally Summit – 50% attendance increase from 2018
 - Social media implementation: Q3-Q4 campaign executions
- List of market research studies conducted by consultants if study costs exceed \$25,000 and are not protected by license agreements or other proprietary arrangements
 - N/A
- Brief description of new pilots/programs, including target market, strategy, and key Measures
 - Expanded compliance codes project anticipated in 2020
- Any discontinued programs
 - N/A