



**To:** ComEd, Nicor Gas, Peoples Gas, North Shore Gas, ICC Staff; SAG Staff

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**Date:** November 21, 2025

**Re:** CY2024 Cost Effectiveness Test Results for Jointly Implemented Programs

In CY2024, seven programs (referred to collectively in this memo as “programs”) were jointly implemented by ComEd, Nicor Gas, Peoples Gas (PGL), and North Shore Gas (NSG). Guidehouse used the CY2024 gas utilities’ cost-effectiveness test results<sup>1,2</sup> and ComEd’s cost-effectiveness test results<sup>3</sup> to prepare this memo on CY2024 cost-effectiveness test results of jointly implemented programs.

Table 1 lists the programs jointly implemented by the utilities and indicates which utilities jointly implemented the programs in CY2024.

**Table 1. Summary of Jointly Implemented Programs**

Sector	Program	ComEd	Nicor Gas	PGL	NSG
Residential / Income Eligible	Single-Family Upgrades*	√	√	√	√
Residential / Income Eligible	Multi-Family Upgrades†	√	√	√	√
Income Eligible	Product Distribution‡	√	√	√	√
Income Eligible	Affordable Housing New Construction	√	√	-	-
Business & Public Sector	Non-Residential New Construction	√	√	√	√
Business & Public Sector	Retrocommissioning§	√	√	√	√
Business & Public Sector	Commercial Food Services#	√	√	√	√

\* The Retrofit, Home Energy Assessments (HEA), and the Illinois Home Weatherization Assistance Program (IHWAP) program components are implemented jointly with the gas utilities. The program also includes the Income Eligible Whole Home Electrification component which is implemented solely by ComEd.

<sup>1</sup> <https://www.ilsag.info/wp-content/uploads/Nicor-Gas-2024-Summary-Savings-and-Cost-Effectiveness-Memo-2025-09-07-Final.pdf>

<sup>2</sup> <https://www.ilsag.info/wp-content/uploads/PGL-NSG-2024-Summary-Verified-Savings-and-Cost-Effectiveness-Memo-2025-09-07-Final.pdf>

<sup>3</sup> <https://www.ilsag.info/wp-content/uploads/ComEd-Cost-Effectiveness-Analysis-CY2024-Report-2025-07-03-Final-Revised.pdf>

## CY2024 Cost Effectiveness Test Results for Jointly Implemented Programs

† The IHWAP, Public Housing Authority (PHA), Market Rate (Direct Install), and IE Multifamily program components are implemented jointly with the gas utilities. The program also includes the Income Eligible Whole Home Electrification component which is implemented solely by ComEd.

‡ The Elementary Education Energy program component is implemented jointly with the gas utilities. The program also includes the Food Bank and HEA Kits components which are implemented solely by ComEd.

§ The Retrocommissioning program component is implemented jointly with the gas utilities. ComEd offers it as part of their Targeted Systems program along with Virtual Commissioning and Industrial Systems.

# The Commercial Food Service program component is implemented jointly with the gas utilities. ComEd offers it as part of their Midstream/Upstream program along with Instant Discount implemented solely by ComEd.

- PGL & NSG did not implement projects in CY2024

Source: *Guidehouse analysis*

Key takeaways from the analysis include:

### Overall Cost-Effectiveness

- The joint programs achieved an overall Total Resource Cost (TRC) effectiveness of 3.81 with non-energy impacts (NEI), and a TRC of 2.05 without NEI. The overall Utility Cost Test (UCT) result was 1.35.
- Overall, the TRC and UCT scores for the joint programs aligned closely with the scores attained by ComEd's individual portions of the programs as ComEd's programs represented 83% of overall TRC benefits for the joint programs.
- Emissions and societal benefits played an outsized role in higher TRC results in CY2024, contributing about 64% of portfolio TRC benefits in CY2024 as compared to 51% in CY2023.

### Residential and Income Eligible Programs:

- All four residential and income eligible joint programs achieved a TRC greater than 1.0 in CY2024, when including NEIs:
  - Single-Family Upgrades: TRC (w/ NEI) = 1.23
  - Multi-Family Upgrades: TRC (w/ NEI) = 2.22
  - Product Distribution: TRC (w/ NEI) = 13.11
  - Affordable Housing New Construction (AHNC): TRC (w/ NEI) = 2.10.
- Only Product Distribution and AHNC were cost-effective under the UCT framework: 5.26 and 1.23 respectively. Despite slightly lower costs under the UCT than TRC, the exclusion of greenhouse gas (GHG) benefits and other non-energy benefits under the UCT brought the scores for Single-Family and Multifamily programs below 1.0.
- Product Distribution continues to be driven largely by lighting measures which can accumulate significant energy savings at low cost. Additionally, shell measures, such as spray foam, and insulation and water-saving measures, such as high efficiency showerheads, added societal and water benefits with low customer incremental costs to achieve high outcomes for the TRC with NEIs.

### Business & Public Sector Programs:

- Business & Public Sector joint programs achieved TRCs greater than 1.0 in CY2024, both with and without NEIs.

## CY2024 Cost Effectiveness Test Results for Jointly Implemented Programs

- Non-Residential New Construction achieved a UCT cost-effectiveness at 2.09, largely due to its relatively low incentive payments (\$1.3 million) as a portion of incremental costs (\$3.7 million). Retrocommissioning showed lower UCT cost-effectiveness at 0.93.

Table 2 and Table 3 summarize the TRC and UCT calculations for CY2024 joint programs. These tables include values for the programs' benefit and cost components when aggregated across all utilities that were involved in joint implementation. Table 4 and Table 5 summarize TRC and UCT test values by program and utility for CY2024.

CY2024 Cost Effectiveness Test Results for Jointly Implemented Programs

**Table 2. Summary of Program Level Benefits, Costs, and IL Total Resource Cost (TRC\*) Test Values – CY2024**

Sector	Program / Pilot	Avoided Electric Production (w/GHG adder)	Avoided Gas Savings (w/ Env. Adder)	Societal NEI	Water Cost Savings	Other Benefits**	Non-Incentive Costs	Negative Benefits	Incremental Costs (Net)	IL TRC Benefits (w/ NEI)	IL TRC Benefits (w/o NEI)	IL TRC Costs	IL TRC Test Net Benefits (w/ NEI)	IL TRC Test Net Benefits (w/o NEI)	IL TRC Test (w/ NEI)	IL TRC Test (w/o NEI)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (a+b+c+d+e)	(j) = (a+b+d+e)	(k) = (f+g+h)	(l) = (i-k)	(m) = (j-k)	(n) = (i/k)	(o) = (j/k)
Residential / Income Eligible	Single-Family Upgrades	\$11,880,543	\$23,038,076	\$18,696,570	\$2,105,483	\$392,000	\$12,073,784	\$460,000	\$33,260,277	\$56,112,672	\$37,416,102	\$45,794,061	\$10,318,611	(\$8,377,959)	1.23	0.82
Residential / Income Eligible	Multi-Family Upgrades	\$32,758,056	\$35,773,901	\$53,463,739	\$3,339,710	\$258,000	\$17,174,633	\$530,000	\$38,857,641	\$125,593,405	\$72,129,666	\$56,562,275	\$69,031,130	\$15,567,391	2.22	1.28
Income Eligible	Product Distribution	\$138,197,250	\$10,188,126	\$167,833,038	\$13,999,310	\$16,533,000	\$4,307,959	\$1,539,000	\$20,608,381	\$346,750,724	\$178,917,686	\$26,455,340	\$320,295,383	\$152,462,346	13.11	6.76
Income Eligible	Affordable Housing New Construction	\$5,627,000	\$3,428,844	\$8,017,373	\$751,000	\$249,000	\$2,961,662	\$97,000	\$5,553,865	\$18,073,217	\$10,055,844	\$8,612,527	\$9,460,690	\$1,443,317	2.10	1.17
Business & Public Sector	Non-Residential New Construction	\$6,478,000	\$3,498,587	\$8,084,203	\$2,335,000	\$0	\$2,375,420	\$0	\$5,265,344	\$20,395,790	\$12,311,587	\$7,640,764	\$12,755,026	\$4,670,823	2.67	1.61
Business & Public Sector	RetroCommissioning	\$45,094,000	\$3,968,990	\$54,489,528	\$0	\$0	\$9,841,787	\$0	\$21,974,399	\$103,552,519	\$49,062,990	\$31,816,186	\$71,736,333	\$17,246,805	3.25	1.54
Business & Public Sector	Commercial Food Services	\$1,027,038	\$3,517,146	\$3,514,832	\$67,168	\$0	\$473,776	\$0	\$630,858	\$8,126,184	\$4,611,352	\$1,104,635	\$7,021,549	\$3,506,717	7.36	4.17
<b>Joint Programs Total</b>		<b>\$241,061,887</b>	<b>\$83,413,669</b>	<b>\$314,099,283</b>	<b>\$22,597,671</b>	<b>\$17,432,000</b>	<b>\$49,209,021</b>	<b>\$2,626,000</b>	<b>\$126,150,766</b>	<b>\$678,604,510</b>	<b>\$364,505,227</b>	<b>\$177,985,788</b>	<b>\$500,618,722</b>	<b>\$186,519,439</b>	<b>3.81</b>	<b>2.05</b>

Note: Totals may not sum due to rounding.

\* The Illinois TRC test is defined in the Illinois Power Agency Act (see 20 ILCS 3855/1-10).

\*\* Other Benefits include Net Incremental Costs, and NPV Replacement Costs.

Source: Guidehouse analysis

CY2024 Cost Effectiveness Test Results for Jointly Implemented Programs

**Table 3. Summary of Program Level Benefits, Costs, and Utility Cost Test (UCT\*) Values – CY2024**

Sector	Program / Pilot	Avoided Electric Production and Water Savings (w/o GHG adder)	Avoided Gas Savings (w/o GHG adder)	Water Cost Savings	Non-Incentive Costs	Negative Benefits	Incentive Costs	IL UCT Benefits	IL UCT Costs	IL UCT Test Net Benefits	IL UCT Test
		(a)	(b)	(c)	(d)	(e)	(f)	(g) = (a+b+c)	(h) = (d+e+f)	(i) = (g-h)	(j) = (g/h)
Residential / Income Eligible	Single-Family Upgrades	\$7,775,422	\$15,995,792	\$1,912,184	\$12,073,784	\$460,000	\$32,187,944	\$25,683,398	\$44,721,728	(\$19,038,330)	0.57
Residential / Income Eligible	Multi-Family Upgrades	\$20,343,513	\$18,827,927	\$2,395,624	\$17,174,633	\$530,000	\$36,618,134	\$41,567,064	\$54,322,768	(\$12,755,703)	0.77
Income Eligible	Product Distribution	\$85,099,302	\$5,338,423	\$11,068,697	\$4,307,959	\$1,539,000	\$13,454,407	\$101,506,423	\$19,301,366	\$82,205,057	5.26
Income Eligible	Affordable Housing New Construction	\$3,109,000	\$2,746,394	\$751,000	\$2,961,662	\$97,000	\$2,310,109	\$6,606,394	\$5,368,771	\$1,237,623	1.23
Business & Public Sector	Non-Residential New Construction	\$3,823,000	\$1,611,380	\$2,335,000	\$2,375,420	\$0	\$1,345,040	\$7,769,380	\$3,720,460	\$4,048,920	2.09
Business & Public Sector	RetroCommissioning	\$26,174,000	\$2,080,683	\$0	\$9,841,787	\$0	\$20,420,655	\$28,254,683	\$30,262,442	(\$2,007,759)	0.93
Business & Public Sector	Commercial Food Services	\$608,596	\$1,657,691	\$67,168	473776.319	\$0	\$538,225	\$2,333,455	\$1,012,001	\$1,321,453	2.31
<b>Joint Programs Total</b>		<b>\$146,932,834</b>	<b>\$48,258,290</b>	<b>\$18,529,673</b>	<b>\$49,209,021</b>	<b>\$2,626,000</b>	<b>\$106,874,515</b>	<b>\$213,720,797</b>	<b>\$158,709,536</b>	<b>\$55,011,261</b>	<b>1.35</b>

Note: Totals may not sum due to rounding.

\* The Illinois UCT test is defined in the Illinois Power Agency Act (see 20 ILCS 3855/1-10).

Source: Guidehouse analysis

CY2024 Cost Effectiveness Test Results for Jointly Implemented Programs

**Table 4. Summary of TRC Test Values by Program and Utility – CY2024**

Sector	Program	All	ComEd	Nicor Gas	PGL	NSG
Residential / Income Eligible	Single-Family Upgrades	1.23	1.03	1.70	2.04	1.47
Residential / Income Eligible	Multi-Family Upgrades	2.22	1.75	2.67	4.08	3.19
Income Eligible	Product Distribution	13.11	13.38	7.21	11.40	9.42
Income Eligible	Affordable Housing New Construction*	2.10	2.12	1.94	NA	NA
Business & Public Sector	Coordinated Non-Residential New Construction	2.67	2.15	9.02	3.80	26.22
Business & Public Sector	RetroCommissioning	3.25	3.12	3.31	23.07	0.41
Business & Public Sector	Commercial Food Services	7.36	7.91	7.80	5.43	1.59

PGL & NSG did not implement projects in CY2024.

Source: Guidehouse analysis

**Table 5. Summary of UCT Test Values by Program and Utility – CY2024**

Sector	Program	All	ComEd	Nicor Gas	PGL	NSG
Residential / Income Eligible	Single-Family Upgrades	0.57	0.62	0.46	0.41	0.29
Residential / Income Eligible	Multi-Family Upgrades	0.77	0.74	0.79	0.88	0.77
Income Eligible	Product Distribution	5.26	5.27	3.31	6.79	4.10
Income Eligible	Affordable Housing New Construction*	1.23	1.26	1.03	NA	NA
Business & Public Sector	Coordinated Non-Residential New Construction	2.09	1.98	2.49	10.29	8.38
Business & Public Sector	RetroCommissioning	0.93	0.89	2.99	5.04	5.63
Business & Public Sector	Commercial Food Services	2.31	3.79	2.32	0.90	0.43

PGL & NSG did not implement projects in CY2024.

Source: Guidehouse analysis